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ABSTRACT

The following papers were presented at this international conference: (1) "Key-Note Report by the Research Institute for Higher Education" (Kazuyuki Kitamura); (2) "Major Dimensions in the Relations between the State and Higher Education" (Neil J. Smelser); (3) "The Role of Government in Japanese Higher Education" (Motohisa Kaneko); (4) "The Role of Government in the Philippine Higher Education System" (Nilo L. Rosas); (5) "The Role of Government in Higher Education--Country Report: Korea" (Bom Mo Chung); (6) "Higher Education: A Proposal for Positive Interventions by the Thai Government" (Apichai Puntasen); (7) "The Role of Government in Indonesian Higher Education--A Search for Equity and Good Quality in Higher Education" (Sukadji Ranuwihardjo); (8) "The Role of the Government in Higher Education in Malaysia" (Isahak Haron); (9) "The Role of Government in Higher Education in Australia" (David Beswick); and (10) "The Structure and Governance of Chinese Higher Education" (Wang Yongquan). The seminar program, a list of participants, and a discussion of the seminar's background and objectives are provided. References are given at the conclusion of each paper. (KM)

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Reports from the Fourth International Seminar
On Higher Education in Asia

THE ROLE OF GOVERNMENT IN ASIAN HIGHER EDUCATION SYSTEMS

— Issues and Prospects —

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1988

RESEARCH INSTITUTE FOR HIGHER EDUCATION

Hiroshima University

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RESEARCH INSTITUTE FOR HIGHER EDUCATION
Hiroshima University

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THE ROLE OF GOVERNMENT IN ASIAN HIGHER EDUCATION

- Issues and Prospects -

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PREFACE

This 4th International Seminar on Higher Education in Asia has focused on the role of Government in higher education. Of all of the topics faced by researchers and administrators in the area of higher education, surely this topic is one of the most vital and demands more and more efforts from a wide variety of disciplines including Economics, Sociology, Administration and others. We have been most fortunate to have hosted a very outstanding group of scholars and administrators from Australia, China, Indonesia, Korea, Japan, Malaysia, The Philippines, Thailand as well as the United States. It has been an honor and an intellectual privilege to listen and learn from this group.

As we look at what has been discussed and the huge tasks that face us in the coming future regarding the role of government and higher education, it seems as though the task is almost too large to deal with. But with the many excellent suggestions and blueprints for future studies which we have heard over the past 2 days, I think the tasks at hand and some measures for dealing with them have become clearer. We have been *most* fortunate to have witnessed and profited from the hard work of the fine Asian and other scholars who are doing their best to lead and make progress in this field. We express grateful acknowlegement for continued support from the Unesco Regional Office for Education in Asia and the Pacific and also for the support from the Japanese Ministry of Education, Science and Culture.

Masao Seki
Director and Professor
R.I.H.E.

THE ROLE OF GOVERNMENT IN ASIAN HIGHER EDUCATION

— Issues and Prospects —

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BACKGROUND AND OBJECTIVES

1. General Outline

The Seminar has been organized by the Research Institute for Higher Education (RIHE) at Hiroshima University as the fourth and last in a series of International Seminars on Higher Education in Asia. These International Seminars constitute a part of Consortium C (Special Research Studies in Higher Education for Development) of the Unesco Regional Cooperation Programme in Higher Education. As a research activity of the RIHE, they are a part of the research project entitled "A Comparative Study of Higher Education Structure and its Functions in Asia and the Pacific." The Seminar will be financed by the Hiroshima University and the Ministry of Education, Science and Culture, Japan.

The past Seminars were undertaken under the title: "Problems and Prospects in Higher Education Expansion in Asia" (January 1985); "Internationalization of University and Foreign Students" (January 1986); and "Public and Private Sectors in Asian Higher Education Systems" (January 1987).

After examining the results of the past Seminars and the prospective and critical issues for higher education in Asia, the theme of this Seminar was set as: "The Role of Government in Asian Higher Education — Issues and Prospects."

In order to address this issue, we invited leading experts of higher education from seven countries in the Asian and Pacific region — Australia, China, Indonesia, Korea, Malaysia, the Philippines and Thailand — and a leading expert from the United States, to join Japanese experts from the RIHE and other institutions.

2. Background

Past decades saw remarkable progress in higher education in the Asian region but, because of this development, higher education systems in the region are facing new challenges.

The generally robust economic growth in the region countries bore rapid increases in the demand for higher education. The resulting expansion of higher education became the subject of the first of our series of the International Seminars. At the same time nations in the region are facing growing pressures from financial stringency. Under these new circumstances one of the fundamental challenges to the higher education system is to respond to the growing demand under limited resources. A critical issue from this view point is mobilization of non-public resources

for higher education. The relative roles of public and private sectors of higher education in the region countries, their present problems and perspective, were therefore focused upon in the third meeting of the Seminar.

The dialogues in past meetings revealed, however, that a simple laissez-faire policy would not only result in less equity of opportunity, but also give rise to deterioration of the quality of private institutions. Eventually these problems would create serious, and possibly irreversible, negative effects on higher education as a whole. In order to maintain equity and efficiency of higher education the government has to seek proper means of support and intervention for the private sector. At the same time, the scope of discussion should not be limited to the private sector — public universities and colleges may be revitalized by utilizing more non-governmental supports and less direct control of the government. Thus, utilization of non-public resources and initiative should not imply simply diminishing or limiting the role of government; rather, it calls for a radical redefinition of the traditional role of government in higher education as a whole.

3. Objectives

Envisaging the critical significance of the issue in the future development of higher education in the region, the fourth and the last International Seminar in the present series was held under the indicated title.

Specifically, the Seminar aimed at achieving the following objectives: (i) to foster common understanding among scholars of higher education on how the governments are intervening the national systems of higher education in the Asian region; (ii) to compare the patterns of support and control by the government cross-nationally and to examine some of the fundamental issues related to alternative forms; and (iii) to assess the implications of the analyses to the policies of higher education in the Asian countries, and to explore the prospects.

PROGRAM

1. ROUND-TABLE DISCUSSION

At Hiroshima City Hotel, Kyobashi-cho, Minami-ku, Hiroshima

November 25 (Wednesday) 1987

OPENING SESSION	(9:00 - 9:20 a.m.)	
	Chaired by: Kazuhiro Ebuchi and Akira Arimoto	
Greetings by the President, Hiroshima University		*Yutaka Okihara*
Opening Address		*Ministry of Education, Science and Culture*
Introduction of Participants		*Chairmen*
SESSION A	(9:20 - 11:30)	
A1. Key-Note Report by the RIHE		*Kazuyuki Kitamura*
A2. "Major Dimensions in the Relations between the State and Higher Education"		*Neil J. Smelser*
A3. "The Role of Government in Japanese Higher Education"		*Motohisa Kaneko*
Comment		*Shin'ichi Suzuki*
Discussion		
Lunch Break	(11:30 a.m. - 1:00 p.m.)	
SESSION B	(1:00 - 3:30)	
	Chaired by: Tetsuya Kobayashi and Akira Tachi	
B1. "Country Report: The Philippines"		*Nilo Rosas*
B2. "Country Report: Korea"		*Chung Bom-Mo*
B3. "Country Report: Thailand"		*Apichai Puntasen*
B4. "Country Report: Indonesia"		*Sukadji Ranuwihardjo*
Comment		*Toru Umakoshi*
Discussion		
Tea Break	(3:30 - 3:50)	
SESSION C	(3:50 - 6:00)	
	Chaired by: Yoshio Gondoh and Joe Hicks	
C1. "Country Report: Malaysia"		*Isahak Haron*
C2. "Country Report: Australia"		*David Beswick*
C3. "Country Report: China"		*Wang Yongquan*

Comment — *Yutaka Ohtsuka*

Discussion

Reception (6:20 - 8:20)

Hosted by Dr. Y. Okihara, President, Hiroshima University

At Banquet Room "Fuyou No Ma," 3rd Floor

November 26 (Thursday)

SESSION D (9:00 - 12:00 a.m.)

Chaired by: Kazuyuki Kitamura and Kazuhiro Ebuchi

"The Role of Government in Asian Higher Education — A Review of Issues" — *Secretariat*

Comment

Discusion

CONCLUDING SESSION (12:00 - 12:10)

Concluding Remarks — *Masao Seki*

Adjournment

2. PUBLIC COLLOQUIUM AT TOKYO

Co-sponsored with the Institute of Higher Education

At Nishi-Shinbashi Rikuruto Building, Chiyoda-ku, Tokyo

Chaired by: Ikuo Amano, Kazuyuki Kitamura and Kazuhiro Ebuchi

November 28 (Saturday)

OPENING ADDRESS AND ANNOUNCEMENTS (1:30 - 2:00 p.m.)

Opening Address — *Ikuo Amano*

Outline of Hiroshima Seminar and Introduction of Invited Overseas Participants — *Kazuyuki Kitamura*

PUBLIC LECTURE (2:00 - 2:50)

"Reforms in Higher Education — A Sociological Approach" (with sequential translation) — *Neil J. Smelser*

COMMENTS AND DISCUSSION (2:50 - 4:40)

CONCLUDING REMARKS (4:40 - 5:00)

Concluding Remarks — *Chairmen*

Reception (5:00 - 6:30)

Co-hosted By:

Director, Research Institute for Higher Education, Hiroshima University President, Institute of Higher Education

LIST OF PARTICIPANTS

1. Invited Overseas Participants

AUSTRALIA	David BESWICK, Professor and Director, Center for the Studies of Higher Education, University of Melbourne
CHINA	WANG Yongquan, Professor and Director, Institute of Higher Education, Beijing University
INDONESIA	SUKADJI Ranuwihardjo, Director General of Higher Education, Ministry of Education and Culture, The Republic of Indonesia
KOREA	CHUNG Bom-Mo Professor, Hallym College, Kanwong, Korea
PHILIPPINES	Nilo ROSAS Director, Bureau of Higher Education, Department of Education, Culture and Sports, The Republic of Philippines
THAILAND	Apichai PUNTASEN Associate Professor, Faculty of Economics, Thammasat University
MALAYSIA	Isahak HARON Dean, Faculty of Education, University of Malaya
U.S.A.	Neil J. SMELSER, University Professor and Acting Director, Center for Studies in Higher Education, University of California at Berkeley

2. Invited Japanese Participants: Hiroshima and Tokyo

AMANO, Ikuo	Professor, University of Tokyo
FUJITA, Hidenori	Associate Professor, University of Tokyo
GONDOH, Yoshio	Professor, Kyuushu University
KOBAYASHI, Tetsuya	Professor, The University of Kyoto
OHTSUKA, Yutaka	Researcher, National Institute for Educational Re-

	search, Tokyo
SUZUKI, Shin'ichi	Professor, Waseda University
TACHI, Akira	Associate Professor, National Center for Development of Broadcast Education
UMAKOSHI, Toru	Associate Professor, Nagoya University

3. The RIHE Staff Members

SEKI, Masao	Director and Professor
EBUCHI, Kazuhiro	Professor
KITAMURA, Kazuyuki	Professor
ARIMOTO, Akira	Professor
KANEKO, Motohisa	Associate Professor
HICKS, Joe Eugene	Research Associate
DAIZEN, Tsukasa	Research Associate
ITOH, Akihiro	Research Associate

4. Observers

RIHE Affiliated Researchers

Graduate Students at Hiroshima University

Ministry of Education, Science and Culture, Japan

Press

PRESENTED PAPERS

KEYNOTE REPORT BY THE R.I.H.E.

Kazuyuki Kitamura*

1. The Outline and Background of The Seminar

1) General Outline

This Seminar is currently organized by the Research Institute for Higher Education (RIHE) at Hiroshima University as the fourth and last in a series of International Seminars on Higher Education in Asia. These International Seminars constitute a part of the Unesco Regional Cooperation Programme in Higher Education. The past Seminars were undertaken under the title: "Problems and Prospects in Higher Education Expansion in Asia" (January 1985); "Internationalization of University and Foreign Students" (January 1986); and "Public and Private Sectors in Asian Higher Education Systems" (January 1987). After examining the results of the past Seminars and the prospective and critical issues for higher education in Asia, the theme of this Seminar has been set as: "The Role of Government in Asian Higher Education Systems — Issues and Prospects."

Prominent experts of higher education from selected Asian and Pacific region countries — Australia, People's Republic of China, Indonesia, Korea, Malaysia, Philippines, and Thailand as well as a distinguished scholar from outside the region, the United States, are invited. The staff and selected Affiliated Researchers of the RIHE all over Japan also participate in the Seminar. In addition, there are a number of observers from universities, governmental agencies and press.

2) Background and Objectives

The generally robust economic growth in the region countries bore rapid increases in the demand for higher education. The resulting expansion of higher education became the subject of the first of our International Seminars series. At the same time nations in the region are facing growing pressures from financial stringency. Under these new circumstances one of the fundamental challenges to the higher education systems is to respond to the growing demand under limited resources. A critical issue from this view point is mobilization of non-public resources for higher

* Professor, Research Institute for Higher Education, Hiroshima University, Japan

education. The relative roles of public and private sectors of higher education in the region countries, their present problems and perspective, were therefore focused upon in the third meeting of the Seminar.

The dialogues in past meetings revealed, however, that a simple laissez-faire policy would not only result in less equity of opportunity, but would also give rise to deterioration of the quality of private institutions. Eventually these problems would create serious, and possibly irreversable, negative effects on higher education as a whole. In order to maintain equity and efficiency of higher education the government has to seek proper means of support and intervention for the private sector. At the same time, the scope of discussion should not be limited to the private sector — public universities and colleges may be revitalized by utilizing more non-governmental supports and less direct control of the government. Thus, utilization of non-public resources and initiative should not imply simply diminishing or limiting the role of government; rather, it calls for a radical redefinition of the traditional role of government in higher education as a whole.

Envisaging the critical significance of the issue in the future development of higher education in the region, the fourth and the last International Seminar in the present series is be held under the indicated title.

Specifically, the Seminar is aimed at achieving the following objectives: (i) to foster common understanding among scholars of higher education on how the governments are intervening the national systems of higher education in the Asian region; (ii) to compare the patterns of support and control by the government cross-nationally and to examine some of the fundamental issues related to alternative forms; and (iii) to assess the implications of the analyses to the policies of higher education in the Asian countries, and to explore the prospects.

3) Organization of the Seminar

This 4th International Seminar will consist of formal sessions in Hiroshima, where invited participants present papers, and a one-day public lecture and colloquium in Tokyo.

The first session will sort out some of the fundamental issues related to the role of government in higher education, to provide a framework for the following presentations and discussion.

Country Reports will present an outline of each country's cases by discussing the following points: (i) the present form of government subsidy and control in the

national system of higher education; (ii) its historical, social, cultural and economic backgrounds, and the underlying ideology and values; and (iii) its various consequences in the higher education system and in the society at large, and prospective direction of necessary redefinition of the role of government in higher education.

The Rapporteur's Report will summarize the analytical issues brought out by the presentations and discussions, and explore the prospects of the role of government in the national higher education systems in the Asian region.

2. The Current Situation

As higher education becomes larger, more diverse, and consumes huge amounts of social resources, the role of government in financing higher education becomes larger and the degree of governmental intervention in higher education becomes inevitably stronger. Especially in the age of declining resources and increased competition among other sectors of society in obtaining financial supports from public funds, the dependence of higher education upon government which have the ultimate powers of resource allocation and making decision of priorities becomes greater.

The ideal of the University was traditionally considered to be an autonomous community of scholars isolated from other segments of society. In modern societies, however, the independence of the universities from external authority has been declining and is increasingly under governmental influence.

In any society, colleges and universities can only be created through government's chartering or licensing process. Higher education institutions are regulated in the manner of "birth control" from the beginning. In many countries, the increase (or the decrease) of student enrollments and the expansion (or the reduction) of the institutions and programs are regulated under the government's higher education planning and policies. The role of government in financing higher education is enormous in almost every country — especially in societies where public higher education is predominant. Even private institutions are finding it difficult to survive in the age of declining resources without substantial financial support from the government. The government's power in determining the size of student enrollment is also significant in such countries where student admissions to higher education is highly dependent upon the amount of public financial aids to students. Any new proposals or new academic plans cannot be implemented if higher education fails to obtain the government's administrative and financial support and endorsement. In addition, as higher education takes more of the resources of the society, both the public and the politi-

cians naturally demand increased accountability and assessment of quality — in this case the government as the public agency which is sensitive to the taxpayer's demand for effective use of resources often interferes with the autonomy of higher education.

The facts show that higher education in any contemporary society is inevitably being placed under the increasingly stronger influence of government and that higher education and government have become inseparable, not only in the areas of financing but also in many other important areas. This growing importance of the government role and influence in higher education has raised serious conflicts and problems.

The recently published OECD Report in 1987 clarifies the issues in this way:

> Underlying many of the discussions in this area is a basic dilemma: on the one hand, universities have by tradition been the institution in society which takes long-range views as well as one which exercises a critical function; both require a measure of *autonomy* and *detachment*. On the other hand, both the instructional and the scholarly functions of universities have become important elements of a country's more immediate social and economic policy, and as such have been recieving a large share of a shrinking public purse. This inevitably calls for greater *government involvement* and far more *responsiveness and accountability* by the universities.

As the OECD report put it, finding an appropriate balance between the ability of government to exercise appropriate control and the possibility for universities to retain a substantial degree of autonomy must be one of the important issues for higher education. In order to achieve such a balance between public control and institutional autonomy, it may be necessary to find patterns of appropriate distribution of authority between higher education and government, as the Carnegie Commission on Higher Education suggested in 1976. If we are successful in finding a balanced distribution of authority, we may have the possibility of establishing a more desirable relationship between higher education and government in contemporary society.

3. Several Points of Reference

Before we begin our discussion, several points of reference must be mentioned. They are concerned with the pattern of differentiation in higher education systems in the Asian and the Pacific region. The role of government in higher education varies from country to country according to the size and structure of higher education sys-

tems as well as the modes and areas of governmental involvement in their respective societies.

1) The Size and Structure of Higher Education

The first point is the size of higher education systems in terms of the enrollment ratio among the college age population. The role of government in financing higher education, for instance, may be greatly different according to the size of the higher education system, and it also seems to be one of the factors in determining the degree of governmental influence to higher education. As social resources are limited in any society, any government will find it difficult to finance all of the segments of higher education by public funds, and, therefore, the powers of government must be limited where there is a mass type of higher education. Mass higher education is usually composed of both public and private sectors and, therefore, government has in general less control over the private sectors.

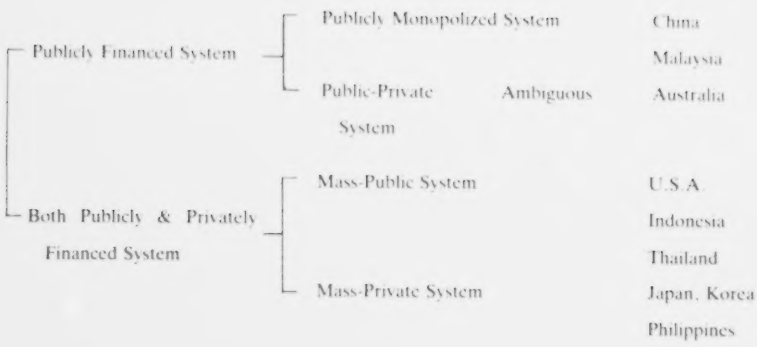
The degree of governmental involvement in financing may differ according to the proportion of public and private sectors in the higher education systems. Roger Geiger classifies the public and private sectors in higher education in this way:

Mass Private Sectors	Philippines, Japan, Korea
Parallel Public and Private Sectors	U.S.A.
Peripheral Private Sector	Indonesia, Thailand
Predominantly Public	Australia, China, Malaysia

2) The Modes of Financing

The proportion of financing higher education by public sources and private ones is also an important factor in determining the degree of governmental influence to higher education. Higher education systems in the would can be divided into two systems: *a publicly financed system* and *a publicly and privately financed system*.

According to Shogo Ichikawa, the higher education systems are classified from the perspective of the financial burden as follows:



The degree of autonomy of higher education may also vary according to the modes of financing — governmental financing in the form of *direct* institutional aid or *in-direct* institutional support (through student assistance or through intermediate non-governmental agencies.)

3) Areas of Governmental Intervention

The relationship between higher education and government, especially the degree of independence of higher education institutions are greatly influenced according to the areas in which the government intervenes. These areas are, for instance, as following:

Chartering of New Institutions and Programs
Regulation of National Planning and Policies
Financing & Resource Allocation
Appointment and Promotion of Academic Personnel
Supervising
Accreditation
Curriculum
Salaries
Tuition and fees
The Authority to Confer Degress
Setting Academic Standards
Research Priorities
etc.

Which areas should be appropriate areas for governmental intervention and which should be reserved for the institutions to decide by themselves? These areas may be one framework for discussion concerning the appropriate distribution of authority between government and higher education.

The type of government may also be a critical factor in the degree of governmental involvement in higher education. Degree of power and type vary considerably from country to country, from nationally centralized governments (like China, Japan, Korea) to the federal system of government where essential authority rests with the state (or local) government (like Australia and the U.S.A.).

There may be other points of reference or frameworks which should be taken into account here. But I believe these points of reference are important points for discussing our common topic "the role of government in higher education" in comparative perspective.

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MAJOR DIMENSIONS IN THE RELATIONS BETWEEN THE STATE AND HIGHER EDUCATION

Neil J. Smelser*

Introduction

It is a special honor for me to be invited to the University of Hiroshima on this occasion, to discuss one of the central issues facing all modern and modernizing societies: the relations between the policy (most often the national state) and higher education. Those relations are salient everywhere, and promise to become more so as knowledge comes to play an ever-increasing role in national policies and, indeed, in the fates of nations. My task in this presentation, as I understand it, is to lay out the main dimensions of those relations that constitute the topic of this conference, in preparation for more specific presentations that will follow. I proceed directly to that task.

Financial Relations

It is a remarkable historical fact that all Western nations have developed institutions of education (including higher education), and that these institutions have become the object of *public* support — a national asset, if you will. Some private institutions, both religious and secular, still survive, but even these frequently become the beneficiaries of state support. The typical mechanism for the support of higher education is a nationally-based Ministry of Education, which oversees, provides support for, and develops plans and policies regarding higher education. The United States is a major exception to this rule in two major respects: first, most direct support is not national but decentralized in the 50 states, and the federal government is responsible mainly but not excusively for support of research; and second, that country retains a very substantial sector of high-quality private institutions (Harvard, Yale, Stanford, ets., as well as many undergraduate colleges), which are supported mainly by accumulated endowments from private sources.

The situation for Asian countries is a mixed one in many respects. All major education countries have developed the national, ministerial system to some extent,

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and in some countries, notably Australia, China, and Malaysia have made the state support system almost exclusive. Supplementary private sectors have developed in Indonesia and Thailand, and there are highly-developed private sectors in the Philippines, Japan, and Korea. In these countries, however, the distinction between public and private is often blurred, given the chartering, the subsidization, and the regulation that has developed in relation to the private sector. Furthermore, it is interesting to ask what functions the private sectors play in relation to the public. Are they primarily certifying institutions, serving that portion of the parents of the population who can afford them? Are they primarily technical in character? Do they represent an entrepreneurial response to state rigidities on the part of educational entrepreneurs?

The first issue that arises in connection with these financial relations — which, in this instance are a one-way flow — is the absolute and relative *level* of support that is afforded to higher education. Rich states can afford more, less wealthy states less. Within societies, moreover, higher education always comes into competition with many other kinds of public expenditures, for example, military, welfare, and pre-secondary educational expenditures. This dimension of the level of public support, then, is the first and most obvious basis for the comparative analysis of the relations between the state and higher education.

A second issue arises from the fact that states, when they allocate monies for public purposes, never fail to take an interest in the accountability of the recipients who expend those monies, and the development of mechanisms to insure that accountability. This impulse for accountability manifests itself at two levels. The simplest is to see to it that funds are expended for the purposes budgeted and that corruption and embezzlement are controlled. The more complicated is to be assured that those educational institutions dependent on state funds maintain an adequate or excellent level of quality in their educational research missions; this concern becomes ever more salient as the relative size of the budgets for educational increases. This latter concern is rendered ambiguous, however, because of the enormous, perhaps intractable methodological issues involved in assessing or measuring the quality of the educational and research output of the institutions involved. For this reason the issue of "quality-for-money-spent" is a chronic point of uncertainty and tension in the relations between the state and higher education.

A final and even touchier issue in this area in that ultimate budgetary control by the state forever raises the possibility that the state may intervene in the process of

budgetary support for non-budgetary (for example, political or ideological) resasons, but at the same advertize its intervention as having been made for budgetary reasons. I have in mind here the selective augmentation of support of academic programs deemed helpful by political authorities and the reduction or elimination of programs seen as unpopular or threatening by them. This possibility, too, is one of the many areas of potential tension and conflict that will be noted in the course of this essay.

Administrative Relations

The state is a complex system of administrative entities, and the educational establishment is also a complex system of administrative entities. The two systems are not the same, nor do they have identical rationalities for the conduct of their respective affairs. The main question in this area is: how do these two systems mesh with one another, and what are the main points of incongruence and tension between them?

We begin again with the most obvious dimension, namely the degree of centralization of the state bureaucracy that is responsible for the overseeing and support of the educational establishment. In this connection it is plausible to venture the hypotheses that the more centralized the state educational authority, the less likely it is to take into account institutional variations, and the more likely it is to develop standardized administrative procedures — all in the interests of its own administrative rationality. Specific educational institutions, on the other hand, seek consistently for the dual objectives of maximum financial support from the state and minimum subjection to the administrative oversight from it, and therefore welcome decentralized arrangements that take into account their specific interests and academic cultures.

The second issue concerns the actual extent of state administrative involvement in the affairs of institutions of higher education. Do state authorities have no, only token, or real involvement in the appointment of faculty? Do they involve themselves directly in the initiation and surveillance and academic programs of universities and colleges? Do they take direct responsibility for auditing the expenditures of these institutions? Again, we observe the widest range of national solutions to these questions, but as of now we lack definitive knowledge about the respective impact of these solutions, either on the actual behavior of state authorities or on the missions and quality of higher education. Such questions therefore should constitute salient

items on the agenda of scholars interested in comparative studies of higher education.

A third issue involves the understanding of the different constituencies to which educational administrators and state administrators, respectively, answer as well as the implications of their situations for the different administrative rationalities of each. Educational leaders are involved in a network of groups which include their faculties (who desire above all freedom and autonomy), students (who desire above all personal certification and advancement from their education and who may have certain political agendas in mind as well), local communities (who desire above all prestige endowed by the local institution and peaceful conduct on the part of students), and in some places alumni (who desire above all institutional continuity consistent with their own collegiate or university experiences). Educational administrators also must count among their major constituencies the state itself, usually in the form of the Ministry of Education and various legislative bodies. State officials, on the other hand, also occupy an intermediate role between constituencies, which include the representatives of the educational institutions they serve, but above all their own political superiors, who have an interest in fiduciary responsibility, good performance, and perhaps political responsiveness on the part of those educational institutions they ultimately support. The upshot of this admittedly oversimplified sketch is that educational administrators and state administrators dance to different tunes, and that their respective administrative rationalities will differ and sometimes come into conflict with one another as each addresses its multiple constituencies. The usual outcome of the tension that result from this is that both types of administrators speak in many tongues, depending on the constituency they are addressing, and hope valiantly that more than one constituency is not listening. This is yet another example of the uneasy truce that exists between the state and higher education.

Flow of Information and Knowledge

One of the salient features of institutions of higher education in any society is that they generate knowledge through scientific investigation and scholarship and sustain and transmit that knowledge through teaching and dissemination. This knowledge has significance in many arenas of society, not the least of which is the continuous maintenance and development of the culture and civilization of that given society (and undoubtedly world culture and civilization as well). But knowledge generated in the academy bears a more direct, short-term relationship to the policy

as well.

In assessing that relationship, we might begin with the observation that, while those who are engaged in institutions are information-and-knowledge processors as a matter of their trade, those who are engaged in the agencies of the state also perforce become gatheres and analyzers of information, knowledge, and expertise, which constitutes an important ingredient in their generating, legitimizing, and implementing policy decisions. (Pro-active policy in relation to pregnancy of unwed mothers, for example, rests in part on the securing of adequate data on the incidence of the phenomenon, and on demonstrating on the basis of these figures that it falls into the category of a "social problem" that merits public attention.) This circumstance forces state policy-makers to take an interest in information and those who produce it.

One line of influence that has run from the academy to the state is that the state has profited from the various *methods* devised by scientists and scholars to gather and analyze information. The social survey is perhaps the most obvious example here, but scientists of various sorts have contributed to the understanding of the proper research designs that are requisite to the acquisition of valid knowledge of any sort. In many ways the methods of the scholars have become the methods of governmental agencies. Many of those who conduct information-gathering and information-analyzing in government agencies, moreover, have acquired their skills in institutions of higher education.

Another level of governmental "borrowing" from the academy has to do with the *substance* of the knowledge involved. Scholars in the academy are forever producing knowledge that is relevant to the concerns of the state, and this knowledge finds its way into the official reports and background documents that are frequently used to develop and justify legislation and public policy. Since knowledge generated in the academy is generally a free and public good, the flow of such knowledge to political authorities is normally not problematical. The main problem that does arise in this regard is that the purposes for which information is gathered and analyzed by an academician (for example, to confirm or reject some theoretically-relevant point) may not coincide with the more practical interests of the policy-makers or administrators, and for that reason may not fit their questions exactly.

There is also a substantial flow of information in the reverse direction, as government agencies of various descriptions gather information for their various purposes. These bases of data are extremely valuable for scientists, but the problem just

mentioned reappears: the purposes of public bureaucracies in gathering information may not correspond with the kinds of questions that scholars may be asking. Some efforts in some countries are being made to improve this situation. Another source of imperfection in the government-academy flow of information lies in the circumstances that much information gathered and kept by government agencies is "classified" for security reasons and thereby unavailable, that agencies fear that divulgence of information (e.g., tax returns) will compromise the confidentiality of their information, or that the release of information might be bureaucratically threatening in some way. The concern of government agencies with secrecy varies greatly, of course, from nation to nation.

There is a third, often more indirect significance of knowledge generated in the academy for the state that has to do with the development of scientific knowledge with technological implications. The impact of this kind of knowledge is primarily on the economy and economic competitiveness. (In some cases scientific knowledge has military implications, in which case there is a direct acquisition of knowledge by the state.) But in the nature of the case modern governments are interested in economically-relevant technology, mainly for reasons of maintaining or improving their competitive positions in the world. As such they frequently turn to the academy — by supporting research programs, training programs, etc. — to produce relevant basic and applied research findings. In some countries this stress on technology by states has skewed universities in this "applied" direction by the disproportionate input of resources in these areas, and away from the traditional mission of seeking general knowledge in all fields.

Flow of Personnel

This dimension overlaps with the one just discussed, except in this case the flow actually involves the flow persons rather than knowledge (the overlap comes from the fact that the persons carry knowledge with them).

It is well-known that academics engage in the most ferocious political struggles with one another within their own walls, but it seems to be the case that only very rarely do academics cross the line and enter political careers in the larger society — a line often crossed, for example, by lawyers and others. There are a number of reasons for this phenomenon — lack of resources necessary to go into politics, disinclination because of the "profane" character of politics as contrasted with their own calling, or perhaps an inability to succeed in the political struggle because of their

particular intellectualized styles. Whatever the reasons, the flow of persons from the academy into state circles primarily takes a number of other forms.

The principal one of these forms is direct entry into the civil service. This is especially characteristic of socialist societies and other societies with highly developed government bureaucracies, but it is also generally true of both developed and developing societies. The main reason for this is that middle — and upper-level civil service positions require high-level literacy and numeracy, and in this sense the academy serves as a training-ground for the state, repaying in part, perhaps, the resources that the state has invested in the education of those that serve them.

Beyond recruitment of full-time academy-trained personnel, the state often relies on limited-time service on the part of academics. At the highest levels this takes the form of building advisory "brain trusts" including academics, though these positions are typically those of more informal, in-house advisors rather than official ministry or cabinet posts. In many cases leading academics have exercised very important influences on the policies of governing regimes. Commentary on the role of academic advisors runs the gamut from the opinion that they represent the best and brightest to the opinion that they, being academics, are politically and organizationally inept. In any event this kind of utilization is limited in scope, is typically tied closely to the fate of a particular political leader, and limited in time of service — all in contrast with the full-career commitment of civil servants.

Even more fleeting are the contributions made by academic "experts" in one-time commissions, advisory bodies, and ad hoc consultative relationships with governments. These kinds of arrangements rise out of periodic concerns on the part of governments with enduring social problems or perhaps with concerns which arise in the wake of some kind of political crisis. The main objective of such arrangements are to offer dispassionate, perhaps multi-partisan perspectives on areas of political concern, such as science policy, population policy, crime, social disorder, and the like. Without making any global judgements on the value of this kind of involvement of academics in state matters, it should be observed that such involvement represents a kind of double-edged sword. On the one hand, there is an evident value in securing the advice of experts who have not been directly involved in the political give-and-take of the state and who are less likely to be partisan in their assessments and recommendations. On the other hand, it remains the case that their contributions are of a one-time character, and, basically, the knowledge and expertise they may contribute passes more or less immediately out of their control and into the hands of full-

time civil servants and politicians, once they have fulfilled their charge. Information and recommendations may be ignored, selectively interpreted, or otherwise distorted. For this reason it is not surprising that many academics, while acknowledging the potential value of their contributions, often develop a somewhat cynical attitude about its actual importance and significance.

A final observation of interest is that the flow of personnel from the state to the academy of higher education is very limited. It is the internal logic of career lines in both governmental and the academy; after a time people in government careers become unavailable for academic careers because they are pursuing lines of activities that do little if nothing toward securing an academic position (and vice-versa). Also, it appears to be in the nature of the societal bargain between higher education and the state that the former seeks mainly financial support and little else from the state — certainly not advice as to how to manage their own affairs. For that reason political leaders may be invited to colleges and universities to give speeches and reflections on matters of political moment, but these contributions have little impact beyond contributing to the critical discussion of these matters in the academy. In this case, as in many other cases noted, the flow between the state and educational institutions is titled sharply in one direction or the other.

The Issue of Status Conferral

We now move into somewhat vaguer territory, not often written about or well-analyzed, but nonetheless important from the standpoint of the reflections between state and society. The two issues to be discussed under this heading concern the issue of status-conferral and the issue of the ideological relations between the state and institutions of higher education.

As a general rule, governments of modern societies acknowledge that their institutions of higher education are necessary and valuable establishments in their society, and, accordingly, they endow them not only with financial support from the state but also with symbolic but important measures of prestige. (This statement is not to neglect the evident fact that political regimes have, from time to time, launched severe and damaging attacks on their institutions of higher education; this fact will be placed in context in the final section on ideology.) The most tangible sign of the conferral of prestige on the academy by the state is seen in the institution of national academies that are creatures of the state (sometimes academies of science only but often academies of learning and scholarship generally). The main function

of these academies is honorific — to elevate those regarded as the most brilliant in the world of learning to an appropriately high level of prestige in their societies and perhaps in the scholarly world at large. Sometimes members of these societies are themselves called upon to offer advice on important topics facing the state and the society, but the honorific character remains paramount. It is society's way of underscoring the societal importance of the academy. In this special sense the academy is something of a modern equivalent of the priesthood.

On the other side, the collegiate and university system of society is also an important conferrer of status. It certainly performs this function with respect to its own citizens, since a good college or university degree is often a helpful or even necessary ticket for admission into the higher business and professional ranks of society. (This has been referred to as the "credentialing" function of higher education.) With respect to the state as such, there are more vaguely-defined expectations that the academy will contribute in a general way to the legitimacy of the values of the society in question, and will not be the seat of revolutionary criticism of the society's form of government. (When the academy is perceived to be actively violating these expectations, the state frequently strikes out at it in a repressive manner.) Insofar as the academy lives up to these expectations through its teaching, research, and public service, it is, in effect, endowing the larger society — including the state — with a legitimacy and status that it itself receives from that society and state. Such is one of the subtle bargains struck between the state and higher education, the importance of which is seen only in full view when that bargain breaks down.

The Issue of Ideology

The discussion of mutual status conferral has conveyed perhaps too benign a view of the relations between the state and higher education. By way of correcting that possible impression, it is important to stress a kind of counter-tendency in these relations, best described in the area of ideology, that constantly fuels a state of tension between the two arenas.

By and large, states and regimes tend to take on a conserving (if not conservative) ideological stance, even if they are legitimized by a radical kind of ideology. The fundamental basis of this is that, among its various missions, the national state is obliged to maintain some level of social and political order in society, if for no other reason than to preserve itself from failure and possible downfall. (This is not to say that states always succeed in this mission. The history of the world is too replete with

occasions of political stagnation and downfall to permit such an inference.) One part of the mission to maintain this order is to be on guard against unfriendly ideological developments that may appear to threaten the stability of the state and society. In the face of such developments regimes may behave very differently; some may attempt to repress them by force and propaganda campaigns, some may attempt to divert them into other courses, and some may "tolerate" them, which is one additional strategy to neutralize or contain the apparently threatening ideologies. Whatever the preferred strategy of regimes, however, it remains the case that they cannot remain indifferent to potential threats to their legitimacy.

The sources of such threats may be found in many sectors of society — class conflict, racial, and ethnic tensions, many kinds of social movement — but surely one such source must be located in institutions of higher education. For one thing, the institutionalization of the values of science and scholarship generally dictate that scholars and teachers not be satisfied with what is, that they should be concerned with and rewarded for pushing the frontiers of knowledge forever forward. This means constantly revising the bases of our understanding of the world, and, furthermore, that this process of revising is open-ended; we do not know where it will take us, or what its implication for what is considered as valid, true, or sacred will be. By virtue of this kind of process, the discovery or formulation of new knowledge has implications for change, even radical change, in knowledge and values. In addition, since the historical emancipation of educational institutions from the orthodoxy of religion — a process that began dramatically with the era of the Reformation and Renaissance in the West — the life of the mind as represented through the academy has always manifested a critical impulse, even when combined with the more socially conserving impulses of higher education. All of this means that, with every academic that has a "pure," "neutral," or "scientific" interest in affairs, there also exists the impulse to be an "intellectual," namely a commentator on, and perhaps a critic of society's knowledge, culture, and social arrangements. (That some do not carry out this latter role does not negate the general point.) Insofar as those who take on this role of intellectual critic are likely to be among the most urbane and articulate in society, their voices will be disproportionately noticed. To these observations should be aded a final one: student culture, while widely variable throughout the world, has always in some degree provided a critical voice, whether political or cultural or both, in the larger society. The student years are remarkable for their spawning of a sense of wider awareness, a sense of social injustice, and even revolutionary attitudes.

If this diagnosis has any merit, then it should come as no surprise that the governing authorities in societies and the institutions of higher education in those societies stand in chronic ideological tension with one another, despite the pervasive positive and mutually rewarding relationships I have discussed. The resolution of this tension by political regimes has been as highly variable as has been their posture toward ideological and political protest in general. Their resolutions range from the more or less completely controlling (if not repressive) posture towards those special institutions on the one hand, and the more or less complete toleration (with notable exceptions) of what goes on within them. The major point to be made, however, is that the relationship between the two sectors of society is never settled; it continues, and will continue to bubble up as history unfolds, as their relationship evolves, and as events continue to excite the ideological strains between the state and the academy.

A Concluding Remark

I am at a loss as to how to conclude this presentation except by offering a note of explanation or even apology. My remarks have not been meant as a comprehensive comparative analysis of the relations between the state and higher education. The absence of specific references, to say nothing of footnotes, should testify to that statement. Rather, I have attempted to present, on the basis of imperfect comparative knowledge, the basis issues that arise when the political authorities in a society establish, or permit to be established, a system of advanced education in that society. I fully expect to have this list of issues added to and subtracted from in this conference by authorities who know more about their own systems of higher education than I do. At the very least, however, I hope that I have provided an intellectual structure within which our informed discourse might go forward.

THE ROLE OF GOVERNMENT IN JAPANESE HIGHER EDUCATION
— Issues and Prospects —

Motohisa Kaneko*

Introduction

The government intervenes in higher education in Japan mainly through two ways: first, by supporting universities and colleges with its financial and other resources; and second, by controlling the institutions with its regulatory power. The intervention is both direct — through means such as establishing and supporting public (mostly national) institutions, and indirect — through various subsidies and regulations affecting both public and private institutions. The ultimate goal of the present paper is to show the basic characteristics of the level and forms, or the structure, of government intervention.

It is important to note at the outset of discussion that the structure of government intervention is affected by various factors. There are two classes of such environmental factors. First is the level of financial and other resources available to the government. Second is the political ideology justifying the government involvement, which would usually involvement, which would usually involve profound societal goals, such as economic growth or equity in educational opportunity. The existing structure of governmental intervention, on the other hand, renders various functions. In consequence it creates tensions between the government and the higher education system over the level and distribution of resources, and also over the balance between the need to assure accountability and the need to maintain autonomy. These factors constitute the underlying layers of the present structure.

This paper will therefore examine first the governmental policies towards higher education in the postwar period and in the process of enrollment expansion (Section 1). The crisis of higher educaiton and the higher education reforms in the early 1970s are examined next to demonstrate some of the fundamental characteristics of government intervention in Japan (Section 2). The issues created under the structure and

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the current debates about higher education reforms shall be analyzed in the last section (Section 3).

1. Role of Government in Postwar Expansion

1) Role of government in Postwar Educational Reform

The ideological basis of postwar educational reforms was "democratization." The reform made some fundamental changes in the system of higher education. The prewar system of higher education consisted of these segments: Universities and Colleges (Daigaku) and the preparatory Higher Schools (Koutou Gakko); Specialized Colleges (Senmon Gakko); and normal schools (Shihan Gakko). Old universities and colleges, as well as the Specialized Colleges comprised both public and private institutions. Under the new 6-3-3-4 system, the segmented higher education system was transformed into a single-track higher education system, where all institutions were called universities or colleges (Daigaku). The national institutions were made national colleges and universities (Kokuritsu Daigaku), where the faculty and management staffs were given the status of national government employee. Together with the small number of new universities and colleges established by local governments these institutions constituted the public sector of higher education. This basic characteristics of public institutions have not changed since.

In financing higher education, the principle of democratization implied two things. First, the newly created national universities had to be treated equally regardless of their prestige in the prewar period. But, in reality the facilities and faculties of many of the new institutions were poor. Considerable efforts had to be made to upgrade the newly established, and particularly local, public institutions. The budgetary process had to be therefore standardized among the public institutions; unit costs in the budget were set uniformal across the institutions. This meant on the other hand decreased rooms of discretion in each individual institution. Secondly, "democratization" meant equal opportunity of higher education. It reflected to the policy in promoting local public institutions, which would affect the equity over regions. But more important, equity over family income classes had to be enhanced, and the public institutions were considered to be the means to achieve it. Consequently, the tuition level was kept low through the 1950s and 1960s. This was in sharp contrast to the prewar period, where the tuition level of the imperial universities were fairly expensive.

In regulating the universities, the government policies were less coherent. In the early periods of occupation, there were proposals to change the form of governance of national universities and colleges after the model of American state universities. It included transfer of public institutions from the national government to the local governments (prefectures) and establishment of national and institutional governing boards of higher education that involve members from outside the universities. The first measure did not materialize because of the financial constrains at the time of the local governments which were already hard pressed to finance the lower levels of education. The second measure was made to the proposed Law of National University and College Governance. First presented to the floor of the Diet in 1951, this Law faced considerable resistance from the universities on the ground that it would deprive the autonomy traditionally attributed to the faculty (Gakubu) of old universities and colleges. Because the academic autonomy functioned in the prewar period as the last means to protect the university from fascism, the argument had strong support, and the proposed law subsequently failed to materialize. This resulted in a convention among the national universities where supreme power of arbitration rests with faculty meeting of individual faculties, rather than the decision making body at the level of whole institution.

The government was successful, on the other hand, in retaining the power to control higher education through chartering. In the early stage of postwar reform, the University Standards Association was established as the accrediting organization. In 1948, the Ministry of Education established a University Chartering Council. In the later stage of development, the Chartering Council controlled in effect the establishment of higher education institutions. The establishment of Chartering Standards as an ordinance of the Ministry of education signified that the Ministry obtained a tacit, but very powerful, means of controlling both public and private institutions in Japan [Amano 1976].

2) Economic Growth as a Social Goal

By the end of the 1950s, the postwar economic recovery approached the stage of completion and the political goal was set at economic *growth*. This implied significant environmental change to higher education policies and higher education itself.

In order to achieve rapid industrial development, producing a large number of engineers and natural scientists became one of the stategic policies. In fact, in the

Five-Year Economic Plans in the late 1960s the "Manpower Plan" constituted an integral part. The government tried to respond to this need through various means including subsidies to the private institutions for their engineering faculties. But the core was establishment and expansion of engineering/natural sciences faculties in the national universities and colleges. Of the increase from 199 to 321 thousands students in the national institutions over the 1958–1970 period, 67 percent was due to the expansion in enrollment in those fields of study. Financially, it meant a concentrated investment on engineering/natural science departments in national institutions. National universities and colleges thus became one of the key instruments in promoting economic growth.

On the other hand, the tuition level of the national institutions was kept low despite the consistent pressure from the financing authority to raise. This was partly due to the resistance from the radicalized student movement. But more fundamentally it reflected the ideology of "democratization" which implied equal opportunity of education. Another significant dimension added in the era of economic growth was that of meritocracy. In other to absorb academically potential students into the strategic areas of higher education, the financial barrier to entry had to be kept low. The tuition level of national universities, which amounted almost to 50 thousand yen (in 1980 real price) in 1935, decreased to 21 thousands in 1955. By 1970 it increased slightly to 27 thousands but, considering that the average family income level increased almost three times, it meant considerably lessened significance of economic barrier. Over this process, national institutions were given the mission of providing quality education with low cost to academically selected student body.

3) Mass Higher Education and Government Policy

Another significant environmental factor was the increase in the demand for higher education. The rapid economic growth in the late 1950s and 1960s, progressing at almost 10 percent per annum in real terms, brought about steady increases in family income levels and therefore lead to ever-expanding demand for the opportunity of higher education. Moreover, it was anticipated that the "baby-boom generation" would be reaching college-going ages by the mid 1960s. These two factors created pressures to augment the supply of higher education institutions.

The Ministry of Education responded to these pressures primarily by increasing the size of enrollment in public institutions, but tried to retain the strict chartering standards. It was the strong political pressures involving the ruling Liberal-Democratic Party that finally changed this position [Pempel 1972]. The change was made in a rather tacit manner — through a Direction from the Directory General of the Universities and Sciences of the Ministry of Education [Ministry of Education 1962, p. 237], that allowed lenient imposition of the Chartering Standard. But its effects were indeed tremendous. Taking this opportunity, a large number of private institutions were established and the existing institutions increased enrollment far beyond the level allowed under the previous policy. From 1960 to 1970, the size of enrollment in private institutions (both four — and two — years) increased almost three times. Table 1 indicates that, by the enrollment in Japanese to constitute three-quaters of total enrollment in Japanese higher education.

Table 1. Distribution of Enrollment by Type of Institution — JAPAN 1950–1980 —

Year	Total Enrolment (Thds.)	% Distribution		
		Total	Public	Private
Four and Two-Year Institutions				
1950	323	100.0	43.0	57.0
1955	601	100.0	37.6	62.4
1960	709	100.0	33.7	66.3
1965	1086	100.0	27.4	72.6
1970	1670	100.0	23.1	76.9
1975	1997	100.0	22.0	78.0
1980	1883	100.0	18.7	81.3
Four-Year Institutions Only				
1950	308	100.0	44.5	55.5
1955	523	100.0	40.3	59.7
1960	626	100.0	35.5	64.5
1965	938	100.0	29.4	70.6
1970	1407	100.0	25.6	74.4
1975	1734	100.0	23.6	76.4
1980	1835	100.0	25.0	75.0

Source: Japan Statistical Yearbook, various years.

2. Reforms in the 1970s

1) Consequences of the Expansion Policy and the Crisis

Toward the end of the 1960s, what was called the "crisis of higher education" erupted in Japan as in many other parts of the world. The concurrence of "crisis" around the world, and the political nature of students movement, suggest that the crisis was not the problems in the Japanese higher education system alone. Nevertheless, one may argue that it reflected some structural contradictions of higher education that had been created through the process of rapid expansion in the 1960s.

First, the government policy in the 1960s — that promoted qualititative upgrading of the public institutions and quantitative expansion of private institutions — created in consequence sharp disparities between the two sectors. As indicated in Table 2, the per student cost in public institutions increased by 1.7 times in real terms over the 1963–70 period, whereas that for the private institutions remained practically unchanged. Considering that personnel costs, which constitute by far the major part of expenditures in higher education institutions, increased at a higher rate than the general price index, it meant that the educational quality in the private institutions declined over this period. At the end of the 1960s, there were only 31 students for every full-time faculty in the private institutions, compared to 8 students in the national institutions. At the same time, the private institutions kept raising the tuition level. Over the ten-year period between 1960 to 1970, the averaged tuition for the private institutions doubled in real terms. Since the tuition level at the public institutions changed at relatively small rates, the tuition gap between the public and private institutions grew by 2.3 times.

Table 2. Per-Student Cost and Per-Student Public Subsidy

Year	Public Inst. (1)	Private Inst. (2)	Pub. & Prv. Inst.	Ratio (2)/(1)
Per-Student Cost				
In Current Price (Thds. Yen)				
1963	178.7	138.6	150.5	0.76
1966	321.3	151.1	195.2	0.47
1970	442.7	194.6	251.9	0.44
1975	804.1	383.3	493.5	0.47
1980	1070.2	768.4	836.2	0.72
Index in Real Price (1963 = 100)				
1963	100.0	100.0	100.0	—
1970	171.5	97.3	115.9	—
1975	180.7	111.1	131.7	—
1980	175.3	162.4	162.7	—
Per-Student Public Subsidy (Thds. Yen)				
1963	162.6	3.6	66.0	0.02
1966	283.7	3.9	76.5	0.01
1970	401.1	13.0	102.8	0.03
1975	693.9	66.3	207.8	0.10
1980	865.8	162.9	320.3	0.19

Source: Japan Statistical Yearbook, various years.

Moreover, despite the constant increases in tuitions many private institutions faced financial crisis by the end of the 1960's because of the student movement. But at the same time, it was clear that by raising tuition even further the private institutions would limit the student body. Moreover it was anticipated that the number of students would be declining after the baby-boom generation.

The second issue was the inability among the public institutions in reorganizing the form of governance. As mentioned above, the basic structure of governance at the public institutions, that emulated those of the old imperial universities and essentially depended on the faculty meeting, failed to undergo changes in the postwar period. Under this system, increasing number of graduate students and research associates as well as undergraduate students were put in disadvantageous positions. Increasing significantly in number, these segments of the constituents of higher education institutions started to demand greater rights, and consequently reforms in governance. It was ironic that the resulting campus disputes revealed still another weakness of the system of governance — that because of the principle of autonomy

of individual faculty the universities as a whole were unable to respond to the crisis decisively or quickly enough.

2) Policies on Private Sector

Reflecting the crisis, proposals were made for reorganizing the governmental policies in higher education. The government itself established a special committee for higher education reforms in the Central Education Council. The explicitly delineated proposals by the Council, however, did not make immediate effects. Nonetheless, a series of government policies created at this period inflicted far-reaching effects on higher education. To address the problems in the private sector, the government took a two-thronged policy.

First, public subsidy to the current costs of private institutions started in 1970. It was formally established under the Private Education Promotion Law of 1975, which stated that the government could give financial subsidy to the private institutions not exceeding half the currents costs. As indicated in Table 3, the government subsidy thus came to constitute a significant segment — in the late 1970s reaching almost the 30 percent level — of the revenues of private institutions. Since the total amount of subsidy was not specified in the Law the total amount dwindled in the subsequent years. Nonetheless, it remains one of the basic characteristics of the role of government in Japanese higher education.

Table 3. Revenue of Higher Education Institutions by Source
— JAPAN 1951–1980 —

Year	Total Educational Revenue (bil. Yen) (1)	% Distribution			
		Total	Tuition & Fees (2)	Public Subsidy (3)	Others (4)
Public Institutions					
1951	13.2	100.0	3.8	96.2	—
1963	48.6	100.0	9.0	91.0	—
1966	103.3	100.0	5.9	88.3	5.8
1970	170.9	100.0	4.0	90.6	5.3
1975	353.8	100.0	6.4	86.3	7.3
1980	379.0	100.0	13.3	80.9	5.8
Private Institutions					
1951	4.2	100.0	99.9	0.1	—
1963	103.0	100.0	96.8	2.6	—
1966	228.7	100.0	90.6	2.6	6.8
1970	365.2	100.0	84.9	6.7	8.4
1975	896.2	100.0	77.4	17.3	5.3
1980	1874.6	100.0	70.4	21.2	8.4

Source: Japan Statistical Yearbook, various years.

At the same time, a clause was added to Private Schools Law. This amendment provided Minister of Education with the right not to admit the application for establishment of new private institutions or increase in the size of existing institutions except for extraordinary cases. Though limited in its validity to five years from enactment, the clause signified an important departure from the principle of government intervention in the postwar period: it allowed the government to intervene in establishment or expanding the size of private institutions not on the ground to secure minimum standards, but on the ground that the establishment would increase the total enrollment capacity of higher education beyond the plans set by the Ministry of Education.

Possibly, one could argue that this was a threat to the principle of private education and even question its constitutionality. Nevertheless, the private institutions — given the carrot of public subsidy to their current expenditures — made no attempt to resist. Moreover, it was evident at the time that the total number of high school graduates would decline in the 1970s and additional expansion of private institutions would cause serious problems to existing institutions. The measure was even given a

tacit support from the existing institutions as a virtual Cartel.

3) Policies towards Public Institutions

An immediate response to the campus disputes was enactment of Emergency Law on University Governance and Management in 1969. Enacted with limited validity of five years, this law among other things made it possible for the establishment body of higher education institution to close down university facilities for a limited time under certain circumstances. For the national universities and colleges it implied that the Ministry of Education could stop, at least temporarily, their educational and research functions without their consent. This was arguably a significant impingement upon the principle of autonomy by the faculty meeting, and lead to resistance from faculties as well as from students. In fact, the Law was never applied in the subsequent period. But the law itself dramatized public discontent on the inability of national institutions for managing themselves.

More structural changes in governance of national institutions was attempted by the Ministry of Education through establishment of "Model Universities." Tsukuba University, first materialized among the planned Model Universities. It featured less independence of each faculty and greater concentration of management decision making at the university level. Ostensibly resembling the state universities in the United States, the model universities were expected to be more efficient than the conventional ones and would function as a model for them to change. In reality, however, Tsukuba University showed that simple reorganization of management alone would not make a better functioning institution. Aside from its value as an experiment, it failed to function as a model of governance to other institutions.

3. Emerging Issues

Reforms of higher education started drawing fresh attention with the establishment of the Ad Hoc Council on Education in 1985. One of the major focuses of the Council was problems, and alternatives in the way the government intervenes in higher education. The debates raised some critical issues.

1) Needs for Structural Changes

The basis of this new attention was the structural problems unsolved through the reforms in the 1970s. But, the immediate causes were environmental factors to higher education. After growing at a rate for two decades, the Japanese economy went

into a stage of slower growth. Consequently public expenditures, after expanding at high rates, had to be contained. Under the pressure of financial stringency there was a strong pressure for the government to shed some of its function or transfer them to the private sector. The focus of this movement extended to higher education. Quite apart from this there was a growing awareness that the Japanese economy and society, having achieved economic growth, had to undergo structural transformation and that was in part dependent upon the changes in higher education.

A new dimension added to the debates about educational reform was that the sharp ideological and political rift that once plagued any debate about education tended to fade. Within the ruling Liberal-Democratic Party, the conservative segments that had always attempted greater national control on higher education came to lose influence relative to the emerging "new liberalism" that tended to advocate less intervention in general. On the other hand, the opposition failed to create consistent alternative policy.

Against this background, the government established in 1985 the Ad-Hoc Council on Education. Educational reform was made one of the central policy issue and, unlike previous councils on education, it was instituted to report directly to the Prime Minister. The Council released four reports [Ad Hoc Council on Education 1985, 1986, 1987a and 1987b] and anecdotal documents. Together with intensive coverage by the media, the debated issues drew unprecedented attention from the public.

The four reports raised various points, but among them three issues emerge with direct relevance to government intervention in higher education: the level and distribution of financial subsidies to higher education; change in chartering standards; and alternative forms of governance in national universities and colleges. These issues are discussed below in turn.

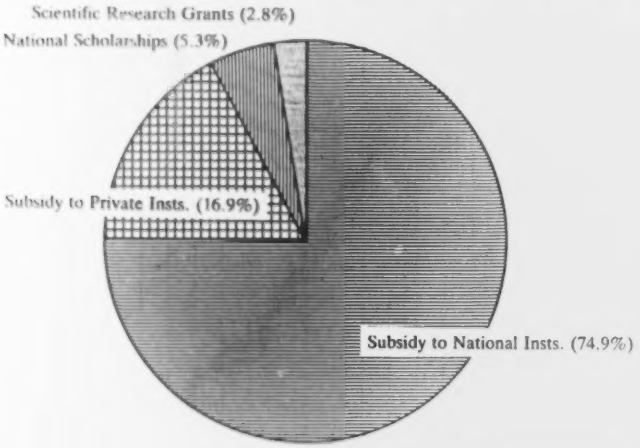
2) Level of Forms of Public Subsidy

A major undercurrent of the series of government Councils established in the mid-1980s was the movement towards reduction of public expenditure and consequently the areas of government activities. Obviously, one of the significant premises of proposed educational reform was that it would contain public expenditure on higher education. It is true that in the 1980s a significant number of OECD countries had decreased public expenditures on higher education. An international comparison by the council found, however, that the current level of public expenditure on higher

education was by no means greater than the comparable figures obtained through international comparison. The proportion of public expenditure on higher education accounts for only 0.7 percent in Japan, compared to 1.4 percent for the United States. Moreover, the prospect of technological changes and international environment higher education implied the need for greater investment on higher education. In its final report, the Council in fact had to note that the total level of public expenditure should be *raised* rather than decreased.

The major issue then rests the *distribution* and *form* of public subsidy. As Figure 1. indicates, about 75 percent of public expenditure on higher education goes for supporting the national universities and colleges, 17 percent for subsidies to private institutions, and the remaining 8 percent for indirect subsidies including scholarships and research grants. Strong criticisms are heard, in and out of the Council, against the disparity between the public and private sectors and inefficiency in the former. This topic will be discussed later. The case for increasing subsidies to private institutions, howevere, was not necessarily overwhelming.

Figure: Distribution of Public Expenditure on Higher Education — FY 1986



Subsidy to National Insts.	1080	(bil. Yen)
Subsidy to Private Insts.	244	
National Scholarships	76	
Scientific Research Grants	41	
Total	1444	

As noted earlier, the subsidy to private institutions in Japan started under political pressure, and without formal redefinition of the mission of the government in higher education. On the one hand, one may argue that in the process of rapid enrollment expansion, the private sector in effect fulfilled a function of public education at the third level. It has a public function, and therefore had to be subsidized. From this view-point, there should be no reason to differentiate their status from the national universities. In fact, associations of private institutions appear to follow this logic when demanding greater contribution from the national budget.

On the other hand, there are serious doubts against expanding the subsidy. Analyses of the private institutions after the subsidy started indicates that over this period they did not decrease the class size. Rather, they raised the wages of faculties and administrative staff substantially. One could argue that the subsidy worked not to raise the quality of instruction but to satisfy the interests of the related party. Another argument raises the problem of accountability. Being protected under the principle of the freedom of education, many private institutions are still refusing to release their financial reports to the public. Still another issue is the effect on equity. Even though the opportunity of higher education have expanded substantially, it is only slightly more than 30 percent of the young age cohort that go to college. Moreover, surveys of students' backgrounds indicate that the family incomes of the students in the private institutions are on the average substantially greater than those in the national institutions. Subsidy to private institutions can be considered as a subsidy to wealthier families.

The third category of financial subsidy is indirect support. Consisting mainly of national scholarships to students and national research grants, these subsidies are called "indirect" because they are not given to the higher education institutions. These subsidies have so far played relatively minor roles. Of the total national expenditure in FY 1986 the national scholarships accounted for only 5 percent, and the national research grants for 3 percent. The indirect subsidies shared less than one-tenth of the total expenditure on higher education. The relatively minor role given to indirect subsidies reflects in many ways historical factors. As noted earlier, in the postwar development the foremost task for higher education finance was to upgrade the new national colleges; in the later periods, additional resources had to be given primarily to save and strengthen the private institutions. Moreover, even at present indirect subsidies lack such organized interest groups with political power as seen with the case of direct subsidies.

Nonetheless, there are arguments particularly among specialists of higher education that indirect subsidies have functionally more positive aspects than direct ones. Unlike the institutional subsidies to national or private institutions, scholarships can be given selectively only to those with profound needs. They would therefore serve better to achieve the goal of enhancing equity in opportunity. Likewise, research grants are given only to those who can demonstrate past achievements and prospects of future achievement. They would therefore enable more efficient use of available funds and enhance competition among researchers. In fact, the American reforms in the early 1970s on higher education finance in the United States inclined towards this direction [Kaneko 1987]. Though the Ad Hoc Council reports stopped short to examine systematically these options, how to utilize indirect subsidies will remain one of the central and strategical issues.

3) Chartering Standards

Because of the historical backgrounds noted earlier, chartering of higher education institutions has been virtually the sole means for the Ministry of Education to control the quality of higher education institutions, particularly of private ones. Because of the critical significance, the Chartering Standards tended to become more elaborate and detailed over the postwar period. It should be noted that this system played significant functions in the periods of postwar expansion in maintaining minimum quality across various kinds of universities and colleges.

The direction of policy, however, have had innegligible costs and there have been growing criticism to the present practice. Fundamental to these criticism is an increasing awareness that standardization have had also negative costs to Japanese education at all levels. Particularly at the higher education level, the past expansion of higher education institutions under a standardized model of "desirable" university — symbolized by the University of Tokyo — helped to create a sharp hierarchy among the institutions. It then helped create the excessive competition among high school students for entering institutions located at higher places in the hierarchy. Such recognition gained momentum even within the conservative political block which had always advocated strengthened government control. The emergence of the "new liberalism" was best symbolized in the Ad Hoc Council. In fact, the reports of the Ad Hoc Council explicitly recommended for "simplified and generalized" chartering standards. Arguably, it would encourage diversification of universities and colleges.

Relaxed chartering standards alone, however, would not contribute to qualititative upgrading of university education, which is now the foremost priority of higher education reforms in Japan. Chartering policies mainly affect the process of establishment of new institutions or expansion of existing institutions — in other words, its effectiveness declines when the system stabilizes in size. The key in the post-expansion period should lie rather in encouragement of of qualititative upgrading of existing institutions. From this view-point, more effective policy measures would be institutional assessment and accreditation. Because of the historical reasons noted earlier, accreditaion failed in postwar development to be effective in fulfilling its expected role. Under the new circumstances, however, accreditation would assume fresh significance and greater potentials. One important role of the government will then lie in encouraging the activities of accreditation.

4) Governance of National Universities and Colleges

Managing and supporting the national universities and colleges have been the major field of government intervention in higher education. As noted earlier the form of governance of national institutions has not changed significantly in the post-war era, in spite of dramatic changes in the environment. It was natural that reforms of the basic institutions of the national universities and colleges became one of the central issues in the Ad Hoc Council.

One of the major underlying currents of such a proposal was the general trend towards a reduced government function or "privatization." More specifically, the arguments for such reforms cites several points. There is a belief that being independent from the government the institutions would be run with less cost to the government. The resentment against the public institutions because of the sharp disparity between the public and private institutions seems to have helped to render the ground for such arguments.

Moreover, there are arguments, in and out of national institutions, that an increased independence from the government would enhance managerial efficiency in national institutions. Under the current budgetary system, revenues of each institutions are absorbed up to the level Special Account for the National Schools. On the other hand, procurement of expenditures are strictly controlled in details by the Ministry of Education. These precesses have been criticized to lessen the room and incentive for each individual institution to be more efficient.

Against this backdrop, there had been arguments for transferring the status of

national higher education institutions from an arm of the national government to "public enterprises" (Tokushu Houjin), an organizational from whose establishment should be specifically by law but nevertheless independent from the government. But, in spite of the strong arguments for the reforms, the specifics of alternative forms of governance are far from clear. And when the discussions went into specifics various problems arose.

First, provision of independent status does not by itself create positive effects. It should accompany internal changes in the institutions. The convention of academic autonomy based on faculty meetings will have to be changed to that a considerable proportion of budgetary and managerial decision-making should be transferred to the institutional level. This will immediately cause serious tension among different groups. Also, the administrative staff will have to undergo considerable changes so that their primary identity should belong to the particular institution and not to the Ministry of Education. The successful achievement of these changes would play a critical roles in revitalizing public institutions.

Second, the advantage of becoming more independent may not apply to some of the existing public institutions. Examples of the Western nations indicate that the degree of independence of public institutions is somewhat related to the mission of those institutions. In general, to the extent that a group of public institutions are elitist and given the national mission of maintain academic excellence they tend to be given greater degree of financial and managerial autonomy. On the other hand, the public institutions established for the purpose of providing opportunities for less advantaged students, either academically or financially, tend to be more directly attached to the government. The Japanese system lacks such a formal differentiation among public institutions with respect to their mission. Reforms in establishment forms may lead to changes in this basic structure.

These points indicate that hastened attempts to impose status changes on public institutions will not only invite serious resistance from the public institutions, but also turn out to be be fruitless. Nonetheless, in the emerging new environment the advantage of giving greater degree of independence to public institutions will increasingly outweigh the negative consequences. Various alternatives will have to be examined toward this direction.

Conclusion

The Ad Hoc Council after all stopped short of presenting a definite picture of reforms in higher education. Nonetheless, the debates initiated by it revealed some fundamental issues, and thereupon formed a set of common perception about necessary changes in the role of government in higher education.

The concentrated investment on national institutions created the problems of disparity, and had to be supplemented with subsidies to private institutions. But greater institutional subsidies, either to the national or private institutions, may not be justified on the grounds of equity or efficiency; they will have to be balanced with indirect subsidies such as student aids and research grants. Exceeding reliance only upon strict chartering standards to maintain the quality of education may be ineffective or even counter-productive; it will have to be supplemented with government policy to encourage greater roles of accrediting activities. Too close administrative and financial relations between the government and national universities, though functional in channeling financial resources and insuring accountability, may hinder creative initiatives of individual institutions; greater independence of individual institutions would be helpful in enhancing managerial efficiency and academic excellence of the national institutions.

It should be noted that these arguments do not necessarily imply that the importance of the role of government intervention in higher education should diminish. In order to achieve equity in opportunity and academic excellence the government will have to assume even more critical roles. At the same time, simple expansion on the past government activity may lead to inefficiency, or potentially negative effects. What the arguments above appear to indicate is that government intervention will have to be more selective and change flexibly corresponding to the changes in environment. In the case of Japan it appears as if the prospective changes will take general direction away from uniformal and direct, and towards more diversified and indirect, forms of government intervention.

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THE ROLE OF GOVERNMENT IN THE PHILIPPINE HIGHER EDUCATION SYSTEM
— ISSUES AND PROSPECTS —

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1. Historical Background

Higher Education in the Philippines was founded on the tradition of sixteenth and seventeenth century Spanish models in Europe and the New World. It has evolved with the history of the country through succeeding phases and changes of political, economic, social and religious forces into its present multifaceted system.

Although first intended for the sons of Spaniards, in time schools admitted native Filipinos, many of whom became professionals and government functionaries. The oldest university in the country, the University of Sto. Tomas, Manila, was established by the Dominican Order and the Spanish Colonial Government in 1611. In 1645, it became one of the Spanish world-chain of royal and pontifical universities, including those at Avila, Pamplona, Lima, and Mexico City.

The aims of higher education during the Spanish regime were determined by the aristocratic ideal and view of society. In fact, the entire educational system was designed to serve the ends of the Spanish Crown and the Church, then closely joined together under the juridical concept of the *partonato*.

Developments in the late 19th century, in particular the opening of the Suez Canal, brought more frequent contacts between Europe and Spain's colony in Asia. Young Filipinos of the emerging middle class went to Europe for further studies in the arts and sciences and readily took to the liberal ideas of the Enlightenment. They started what is known as the Propaganda Movement, which first asked for reforms and, in the end, independence from Spain.

After the Spanish-American War in 1898, the American government instituted an educational system which provided mass education in the primary and secondary levels and used English as the medium of instruction. The oldest nonreligious state university in the pattern of the American state university system, is the University of the Philippines, established in 1908.

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Consistent with higher education's innate character and ingrained mission to provide the intellectual and moral ferment for national as well as personal development, the Filipino people's struggle for freedom and their pursuit of democracy and progress found heroic leaders and martyrs, exemplified among others by the foremost Filipino national hero, Dr. Jose Rizal (1861–1896), the first President of the Philippine Commonwealth, Manuel L. Quezon (1879–1945), former President Raman Magsaysay (1907–1957), and Ninoy Aquino (1932–1983), who had been nurtured in these universities.

Under the 1986 Philippine Constitution ratified under the administration of President Corazon C. Aquino, academic freedom is guaranteed in all institutions of higher learning.

As a whole, higher education in the Philippines may be said to have developed along the lines of the American model. Hence, Philippine education today bears the marks of our long American tutelage.

2. Higher Education in the Philippines Today

1) Objectives

Today, Philippine higher education has four aims:

1. To provide a general education program that will promote in each student a sense of national identity, cultural consciousness, moral integrity, intellectual growth and spiritual vigor;
2. To train the nation's manpower in the required skills for national development;
3. To develop and maintain the integrity of the professions or disciplines that will provide leadership for the nation; and
4. To advance knowledge through research work, and apply new knowledge for improving the quality of human life and responding effectively to changing societal needs and conditions.

In keeping with these objectives, it is the policy of the State that higher education be geared towards the provision of better quality education, the development of middle and high level manpower, and the intensification of research and extension services.

2) Profile of Public and Private Institutions

Public Institutions. At present there are 254 government institutions made up of

19 state universities, 59 state colleges, 148 DECS-supervised institutions and 28 community colleges. The 78 state colleges and universities are chartered. Many public universities, colleges and schools offer both two-year associate degree programs and four-year bachelor's degree programs. Several high schools offer two-year post secondary programs, especially in agriculture. Some of the universities and colleges offer graduate programs on the master's and doctoral level.

Public institutions enrolled only 357,000 or 21 percent of all college students during the Academic Year 1986–87.

Private Institutions. There are 818 private institutions: 70 universities, 496 colleges and 252 technical/vocational schools. Approximately half of these are operated by religious groups. These are mostly Roman Catholic; others are Baptist, Presbyterian, and other Protestant groups.

Proprietary institutions are the second largest group. Some have been founded by affluent individuals and families mainly to make education accessible to as many Filipinos as possible and to meet the manpower needs of the country. Others, however, appear to have been established as business enterprises. A few non-profit, non-religious institutions, such as some medical schools, have been legally incorporated as "foundations".

Private institutions enrolled 1.3 million or 79 percent of all tertiary level students during the Academic Year 1986–87.

3) Present Form of Government Control in the Higher Education System

External Governance. Higher education has always been under the supervision of and regulation by the State. The 1986 Philippine Constitution assigns the state the role of "reasonable supervision and regulation of all educational institutions," while at the same time guaranteeing the academic freedom of all institutions of higher learning.

The administration of the educational system and the supervision and regulation of all educational institutions are vested in the Department of Education, Culture and Sports (DECS), without prejudice however to the autonomy granted by law to state colleges or universities. The legal mandate, objectives, policies and thrusts in higher education are made operational by DECS through the following offices: the Board of Higher Education, an advisory body to the Secretary of Education; the Bureau of Higher Education, which provides technical and staff support to the Board in its policy formulation, reports to and advises the Secretary, and performs the day-

to-day task of developing, formulating, and evaluating programs, projects and educational standards; and the thirteen DECS Regional Offices which have delegated authority over the schools under their respective jurisdictions.

As a condition for practice in certain professions, graduates must pass the government board examinations administered by the Professional Regulatory Commission (PRC). Board examinations are required for the following fields: accounting, architecture, chemistry, dentistry, dietetics, engineering, forestry, medical technology, medicine, midwifery, nursing, pharmacy, and veterinary medicine. Examinations for teachers are administered by the Civil Service Commission in coordination with the DECS. The examination for the practice of law is administered by the Supreme Court.

Internal Governance. Public higher education institutions in the Philipines are created by congressional law, or by ordinance passed by the local government in the case of community colleges. They are generally classified as either chartered or non-chartered schools. Although both types are owned by the government, the former is run by a governing board, while the latter is under the control and supervision of the DECS.

A private institution obtains a legal personality by registering with the Securities and Exchange Commission. Its authority to offer courses in higher education is issued by the DECS through the Bureau of Higher Education or the DECS regional offices.

The administration of an institution involves its day-to-day operation in accordance with policies laid down by the external authority and the school's governing board. The school administration ordinarily consists of a president, one or more vice presidents, various deans, and department heads. It executes the policies laid down by the external authority and the goverening board as well as care of its daily operation.

4) Present Form of Government Subsidy in the Higher Education System

Government Institutions. State colleges and universities (SCUs) are largely dependent on budgetary allotments from the national appropriations which, in 1985, accounted for 83.71% of the total financial resources of an institution. In addition to their annual budgetary appropriations from the government, these SCUs also have other sources of income: from school fees, 10.89%; from auxiliary services, such as dormitories, canteens and bookstores, 2.80%; and other incomes, such as rental of

properties, sale of agricultural and industrial products, 1.67%.

Private Colleges and Universities. In contrast to the public institutions, most private colleges and universities are largely dependent on student fees, although they may also draw from other non-public funds such as capital investments, grants, loans, and subsidies. Minimal financial assistance is given by the Fund for Assistance to Private Education (FAPE). Since its creation in 1968 with a P24 million irrevocable trust fund from the Special Fund for Education authorized US Public Law 88–94 as initial capital, FAPE has, up to 1986, disbursed a total of P70 million worth of assistance for various programs.

Government assistance to private educational institutions is also provided in the form of tax exemptions notably on endowments, gifts, donations, and legacies to schools, colleges and universities recognized by the Government.

3. Consequences in the System and in Society at Large

1) More Government Attention to Public Institutions

Prior to 1974, private schools enjoyed a wide latitude of freedom in determining the rates of tuition and other fees. With such a liberal policy, the private institutions could cope with any increase in the cost of operations simply by raising the tuition. In this manner, they were able to maintain viability. It could even be said that most of the institutions derived a significant amount of profit. Thus the students complained that most schools were too commercialized, motivated primarily by profit and little caring for the adequate delivery of educational service. The faculty also complained that their salaries were too low and that they did not get enough share from the tuition increments.

In responses to the clamor of students and faculty, the government issued in May 1974 Presidential Decree No. 451 which regulated the increase of tuition fees, and limited the return on investment at 12 percent. But the decade of the 1970's saw the oil crisis which wrought havoc on the world economy, particularly in the Third World countries. The Philippines was hit by an annual double-digit rate of inflation. Schools, however, could not raise tuition fees beyond 10 percent of their old rate; hence, many schools are now finding great difficulty to survive.

Confounding this difficulty of the private sector, the lawmakers created more state colleges and universities which competed with the existing private institutions. In effect, the attention of government was focused more on the expansion and development of public institutions to the virtual neglect of the private sector.

2) Double Standard Supervision

Since state colleges and universities are autonomous by reason of their charters, supervision by DECS over them is merely general in character. On the other hand, private schools are subject to the rules and regulations issued by the DECS. Private schools have been quick to point out that the DECS follows a double standard in supervising the educational system. The complaint is not unjustified.

3) Effects on Society

Filipinos take pride in the fact that higher education in the country had an early start. The University of Santo Tomas, founded in 1611, is in fact, older than Harvard University. They also point out that the college enrolment of the Philippines in proportion to its population is one of the highest in the world.

During the American regime, a college degree was a sure ticket to a steady job, most likely, in the government before 1946. The strong continuing Filipino movement for independence, the American aim of preparing the people for democracy, and the policy of Filipinizing all government personal provided the background and the incentives for pursuing higher education. As a result, the poorer segment of society became part of the professional middle class. Quite naturally, the common man developed an intense attraction to tertiary education. This attraction became so ingrained in the Filipino psyche that today a father is willing to sell his last piece of land or his work animal just to be able to see his son through college.

Together with the strong desire for a college degree comes a bias for white collar jobs, hence, a distorted sense of values not conducive to national development. Those who have obtained some form of schooling do not want to soil their hands. An agriculture graduate, for example, prefers to seek office employment in Manila and other cities rather than go back to the rural areas and apply his knowledge in the farm.

Another consequence of the Filipinos' attraction to college education is the mismatch between the supply of educated and skilled manpower and the capacity of the labor market to absorb them. This mismatch has indeed become common in many countries. But a striking characteristic of the Philippine situation is that a generous proportion of the educated unemployed have acquired some form of tertiary education.

The high premium Filipinos place on the college diploma is to some extent responsible for the excalation of educational requirements for employment. A case in

point is the requirement for teaching. Immediately before World War II and shortly after, a high school graduate could be accepted for the teaching position. In a few years, the minimum requirement was a two-year normal course. Now, only graduates of the four-year teacher education degree can be appointed as teachers. A master's degree has also become imperative for those who aspire for promotion. There is another aspect, however, to this excalation. The expansion of knowledge during the recent decades and the inevitable increased demands for more and higher competencies in the professions have required changes in the conceptuaalization and the expectations of old educational programs.

4. Prospective Direction

The objectives of higher education are: 1) equity, 2) excellence, and 3) efficiency. Each however has a correlate. 1) Equity is the principle of equal (or equitable) opportunity for all who are qualified; it therefore demands the accessibility of higher education to as many as are qualified. 2) Excellence, which refers to quality, implies relevance. Excellence in a vacuum calls for relevance to present day problems. 3) Efficiency means the proper management and the wise use of resources to achieve goals; it requires accountablity. Thus, UNESCO prefers to spell out the objectives by the following pairs: 1) equity and access 2) excellence and relevance 3) efficiency and accountability. Let me touch on the role of government in achieving these goals in the tertiary level.

Equity. The two great obstacles which prevent qualified students from going to college are the high cost of such education and the distance between schools and the students' homes. Towards lessening the first obstacle, the government has taken two measures: 1) Student financial assistance programs; and 2) Socialized tuition fee structure in state colleges and universities.

For more than a decade, various government-sponsored scholarships and study grants have been provided for poor but deserving students, selected ethnic groups, and rebel returnees in southern Philippines. From SY 1978–79 to SY 1987–88, about 24,766 students in higher education have benefitted from these programs. In addition, a study-now-pay-later program has benefitted about 26,051 students from 1976–77 to 1985–86. It would be highly desirable for the government to expand existing financial assistance programs. For instance, the service-contracting scheme presently being implemented on the secondary level, may well be carried over to the tertiary level. This would enable college students who cannot be accommodated in

state colleges and universities to enroll in private institutions. Another step that the government can take is the introduction of a voucher system by which a student is granted an amount equivalent to the average cost of college education in the school of his choice.

With regard to the socialized tuition fee scheme, students in some state colleges and universities such as the University of the Philippines, are charged tuition fees based on their family income. Thus the rich pay higher fees whereas the less fortunate pay a lesser amount, according to their financial capacity.

As a remedy to the problem of distance from school, a program of providing dormitories in existing schools, complemented by provision for cost of living allowance, is worthy of consideration by the government.

Excellence. Three main obstacles to the achivement of excellence or quality are: 1) the politically motivated creation of state colleges and universities; 2) the substandard private colleges; and 3) poor student input. In all of these, the government definitely can show a firmer hand.

In the main, state colleges and universities are created by politicians in response to the demands of their constituencies. For the most part, they evolved from existing contiguous high schools, grouped together administratively and given colleges/universities status, without having been given additional appropriate facilities and equipment. There is need therefore to rationalize the major areas of financing, the academic programs, governance and geographical distribution of SCUs as well as to reexamine existing policies and directions of public tertiary education. Lastly, the state should formulate a set of criteria for the creation of state colleges and universities.

As regards the second obstacle to the achievement of excellence, the existence of sub-standard private schools sometimes referred to as "diploma mills", three major steps have to be taken: a) strict adherence to DECS standards; b) a program of voluntary accreditation; and c) moratorium on the creation of new schools.

Vigorous efforts have been pursued towards the development and formulation of policies and standards in the different areas or disciplines, but their strict implementation leaves much to be desired. The state has yet to bring about a truly integrated system of public and private education.

Traditionally, accreditation has been concerned largely with quality, but the categorization of schools and programs in terms of achievement may serve to promote equity and justice in the distribution of accreditation benefits, such as govern-

ment financial assistance and deregulation.

In an effort to reduce the high rate of unemployment and underemployment among professionals, the DECS has declared a moratorium on the opening of new schools and programs whose directions are not in keeping with the national development plan.

DECS has been trying to eliminate the third obstacle to quality education, poor student input, by requiring the National College Entrance Examination (NCEE) of all prospective college students. The NCEE screens college applicants. Presently, the cut-off percentile rank is 50. It is proposed that admission standards for college be raised and that institutions adopt a stricter retention policy.

Relevance. With regard to relevance, as a correlate of excellence, a long-held objective of higher education is to produce the kind and number of high-level manpower required for regional and national development. This goal transcends the simple issue of relating higher educational qualifications to the middle — and high-level skills requirement of particular jobs.

There are two main obstacles to relevance: 1) the mismatch between college output and labor market demand; and 2) the language policy.

To overcome the first obstacle, the Board of Higher Education of the DECS is currently conducting a manpower supply and demand study in collaboration and complementation with other government agencies. It is being done on a regional basis as it has been noted that in some fields of discipline, graduates are concentrated in particular geographical areas. Thus there may be an oversupply in some regions but an undersupply in others.

Furthermore, to make higher education responsive to national and regional needs, the educational system needs to undergo a structural and curricular overhaul. Education itself —up to now still heavily westernized— must be placed within the socio-cultural context on the national as well as regional levels.

The second barrier to the achivement of relevant education, the language policy, can be overcome by full implementation of the newly-issued bilingual education policy. The major strategy is the intellectualization of the national language, Filipino. According to De La Salle University President Andrew Gonzalez, FSC, a member of the Board of Higher Education, such intellectualization is best achieved in higher education. Corollary to the bilingual education policy is a foreign language policy to be set and followed in the tertiary level.

Efficiency. Higher education in the country today is evidently torn between two

opposing forces: equity and excellence. How to strike a balance between the two is a challenge to higher education. In view of our acutely scarce resources, tertiary institutions are to be judged efficient in so far as they achieve a proper and happy mixture of equity and excellence.

Two major obstacles to efficiency are: 1) the double standard of supervision over state and private institutions; and 2) the divergent governance of SCUs.

The first obstacle is presently under consideration by the Board of Higher Education, with the help of the various technical panels. An integrated system of higher education which defines the parameters of the relationship and the scope of complementation between the state institutions and the private colleges and universities has to be worked out. Only then can complementation of the various programs and reforms being undertaken within the system be maximized; resource utilization for higher education, optimized; and functional and operational linkages and consultation processes between entities within and outside the system, strengthened. Furthermore, mechanisms for regular consultation, both vertically and horizontally, can be devised and facilitated. Finally, public and private institutions are to be encouraged to share resources to promote maximum efficiency in the utilization of their resources through centers of excellence, consortium arrangements, exchange programs, service contracting schemes, and networking.

As regards the other major obstacles to efficiency, the divergent governance of state colleges and universities, the State, through the Department Secretary, can clear this obstacle through such approaches as reconstituting the SCU boards, rationalizing the SCUs, setting up new budgetary mechanisms and, if need be, reverting certain SCUs to their former status as high schools. These approaches were recommended by two task forces created by the Secretary of Education, Culture and Sports to study state and private higher education.

5. Concluding Statements

My presentation has shown that in the Philippines, the government plays a significant role in tertiary education; however, it is evident that it still needs to do much more, particularly in terms of policies, incentives and decisions that are more supportive of higher education.

It is my view that government can assist tertiary institutions in achieving the thrusts of the Department of Education, Culture and Sports. The problems besetting higher education oftentimes appear enormous and insoluble. But there are signs of

hope: our educational leaders have shown the highest sense of purpose and creativity and under the leadership of President Corazon C. Aquino, the government has assigned the highest priority to education. In fact, twenty months after the February 1986 revolution, educational development is becoming a reality.

THE ROLE OF GOVERNMENT IN HIGHER EDUCATION
COUNTRY REPORT: KOREA

Bom Mo Chung*

A Big Swing

The task of writing this country report is made easier by the recent announcement of university policy change by the Korean Ministry of Education last September. It is titled as the "University Autonomization Plan", which is an after-math of the recent political upheaval for "democratization" in Korea.

The plan, when effected, calls for the major change in decades in the role of government in Korean higher education. Some of the major changes that are stipulated are that:

—University Council shall be formed in the national university, council members representing the faculty and the local community;

—Faculty Meetings shall be revitalized so as to expand the faculty participation in university operation;

—The present system of granting diplomas only after the approval of the Ministry of Education shall be abolished;

—Guidance of student activities shall be fully relegated to university autonomy;

—Administration of scholarship awards shall also be fully relegated to university autonomy;

—Presidents and deans of national universities shall be appointed, not by the recommendation of the Minister of Education, but through the recommendation of Recommendation Committees to be formed in the universities;

—The presidents and the deans of private universities shall not be required to get Ministry of Education approval for appointment;

—The amount of tuitions and fees of private universities shall be left to university's autonomous decision;

—Student quotas, that is, the number of students to be admitted shall be left for the university to decide autonomously; and

—Administration of entrance examinations shall be left to university autonomy.

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This rather lengthy list of intended changes is quoted here to suggest indirectly in reverse how pervasive the government control has been and in comparison how drastic the proposed changes are and will be.

Reasons for Control

The 1950's in Korea was a period of mushrooming of universities one after the other. Universities then, though poor and ineffective, enjoyed considerable freedom and autonomy, relative to the later years in the sixties, seventies, and eighties, probably due to the notion of academic freedom and autonomy that were innocently accepted by many parties concerned. Many of the proposed changes cited above, meant in effect going back to the years of the fifties.

From the sixties to the recent past, several causes have made government control over universities tighter and more pervasive. First, the so-called profiteering behavior of some of the private universities was becoming so rampant that people both in and out of universities would even welcome such measures of government interventions as the stringently controlled student quota system and the government controlled entrance examination system. Secondly, the successive five-year economic development plans called for planned manpower development, which in turn prompted the government to intervene in university affairs such as establishing new departments and deciding student quotas. Thirdly, there were avowedly political reasons. In the nationalistic surge of political ideology, the courses "Korean History" and "National Ethics" became required courses in all the universities, for example. Fourthly, another related political reason has been the incessant student unrest for the past nearly three decades. Sparing the discussion on the causes of the long drawn student unrest in Korea, here we shall only note that it invited the government to try every measure to silence it. Thus, interventions into even very minute instructional and student guidance affairs have resulted, though without effect.

Where to

Recently, the political tide has been altered and "democratization" is now the predominant political sentiment. It is natural that the campus has become the first locus of concern to be democratized because the university campus has itself been the place of most flaring demand for democracy. Accordingly, it is also natural that the aforementioned university autonomization plan was announced.

The gap between past practice and proposed change is so wide that one would

suspect that the proposed change would not easily be effected without pains and conflicts. One would been come to wonder it or if not the proposed change represents the other side of a pendulum's big swing, and thus are ominously predictive of another fluctuating vacillation rather than of constructive settlement. As we do not want a repeat of the history of oscillation between laissez-faire chaos misconstrued as democracy and authoritarianism reactionary to the chaos in the national political situation, neither do we want a simulated oscillation between tight control and loose disorder in the university affairs. What we want is a cumulative history where one measure builds upon another rather than one crushing upon another. Very obviously, not all forms and kinds of government control are evils. The big questions are what constitutes a desirable balance of control and autonomy, what are the areas where government interventions are needed and where not needed in the present state of affairs.

Such questions are especially pertinent where government control in fact gradually fades into government support. As a matter of principle, the only rationalization for various forms of government control is that they are supportive in the long run of university development and operations. The problem, of course, is that this phrase is subject to different subjective judgements by different parties.

Support

The total public educational expenditure in Korea was 6.5 per cent of the GNP in 1985. This is not a small share. Of this public education expenditure, higher education takes a share of about 30 per cent. This is no small amount either. It may be said that one of the major supportive roles of the government in higher education is to see to it that the maximally possible, if not sufficient, expenditure is secured.

There are altogether 1.5 million students in Korean colleges and universities of all categories, of which approximatelly one million are attending four-year degree granting institutions. This represents a third of the college age cohort, though the actual ages of students are spread over a range wider than the college age cohort. Of 1.5 million students, roughly 25 per cent are enrolled in nationally and publicly financed institutions and 75 per cent in private institutions. Government, therefore, is directly involved in the education of a quater of the college student population. It has been often argued that this portion of government involvement should be enlarged.

So far, government subsidy to private universities and colleges is almost negligi-

ble. A study of some major private universities shows that direct governmental subsidy constitutes only 2 per cent of their total revenue. A strong assertion is often advanced that, for many cogent reasons including the growing sophisticated need for highly skilled manpower development, a new system of governmental financial subsidies to private institutions of higher learning should be instituted.

There are, however, supportive government measures that are applied to both national and private universities. Four examples may be cited here. First, the Ministry of Education annually earmarks a sizable amount of funds for "Academic Research Promotion Expenditure", though other ministries of the government have their own budgetary items for research expenditure that are often contracted with university research resources. Faculty members of any higher education institutions may apply for research grant from this fund. This measure has been meeting a significant proportion of research "thirst" among professors.

Secondly, the Ministry of Education annually earmarks a sizable budget for "Overseas Study Expenditure". A professor from any institution may apply for a travel grant and room and board expenses for a longer or shorter period of staying abroad for study. This program has offered to many professors valuable opportunities for academic refreshment and replenishment. Thirdly, the Ministry of Education has acted mediating and guaranteeing roles in bringing long term overseas loans, such as IBRD's, to needy colleges and universities, both public and private, that want to enrich facilities and equipment. Many universities were enabled to equip themselves with the basic minimum through such long term loans. Fourthly, the Ministry of Education has taken another mediator role in giving birth to and subsidizing the "Korean Council for University Education", which is an organization of the presidents of the universities and colleges. Its secretariat has been convening meetings and seminars of professors, mediating cooperative research projects, and publishing reports and periodical journals on matters related to higher education. Credit should be given to this organization for bringing the problems of higher education into high relief for broad and cooperative professional deliberations.

What for

Due to the recent political turnabout, Korea at this moment in history should be a model case where the role of government not only in higher education but also in nearly all spheres of public ventures in under serious reconsideration. It may be that the role of government in higher education, for that matter in any other sphere, is

defined and embedded in practice through a long political and bureaucratic history, and, therefore, it is difficult to redefine it actually without a political shake up like the one Korea had recently or without a thorough painstaking self examination.

In self examining or in redefining the government role in higher education either of control or of support, the crucial factor is the conception we have as to what are the proper functions of the university. Whether it is defined by laws, ordinances, regulations or simply by bureaucratic habits and inertia, the conceived role is intended for the kind of university one conceives as it should be. It is, therefore, appropriate that some issues in the conception of the functions of university are examined here as they are related to the government role in higher education.

Autonomy and Accountability

Government control and support may be directed to enhance ideally both autonomy and accountability of the university. Unfortunately, in practice, the tendency is nor for conjunction but for disjunction of autonomy or accountability. Mention was made previously that one of the reasons for control was the reckless profiteering behavior of some private universities. In order that these universities act accountably, government control is increased and autonomy taken away to that extent.

An elaborate discussion is not necessary here to uphold the principle that the academic freedom and the autonomy commensurate to it are at the core of the institutional characteristics of the university, without which the university ceases to be a university and turns into a simple training and drilling camp. This principle is often slighted by the government bureaucracy. On the other hand, no discussion is necessary either to uphold another principle that the university does not enjoy an extra-territoriality but carries with itself a certain set of responsibilities to perform ably and accountably, without which the university again ceases to be a university and turns into a frolic kindergarten. This principle is at times neglected by the University, its administrators, professors and students.

Without accountability, university can not be autonomous. Without autonomy, it cannot be accountable. One desirable role the government can play is to enhance,through appropriate measures of control and support, both autonomy and accountability, which may need to be invented creatively. Would it be that, as in human development, autonomy and accountability of the university come by only after a certain period of maturity. In that case, the government role is to hasten the process of maturation as much as possible.

Academic and Practical

It was also mentioned previously that another reason for increasing government control was the need for national development including economic development. As a rapidly developing nation from a per capita GNP of less than 100 dollars to that of nearly 3,000 dollars in less than 30 years, Korea has been in ever growing need for skilled and highly skilled manpower in many fields and in ever growing need for gaining technical and professional "Know whats and hows" through research and development.

This prompted the government to control non-development-related aspects and to support development-related activities of higher education. Thus, for example, establishing new departments in humanities and social sciences are strongly controlled. Research grants go more to projects of practical interest than to basic research. The "basic" researchers have a harder time to get research funds than the applied researchers.

There is, however, a very strong likelihood, as evidenced quite often, that the government's one sided emphasis on the practical may be short-sighted and in the long run dysfunctional to continuous development, and that it also helps deplete the academic atmosphere which is, in the final analysis, the germinating ground for ideas and innovations. We know, for example, that great ideas in arts and in sciences are born not in the minds calculating for practical returns but in the minds fascinated in the pursuit of arts and sciences itself. Ideally, then, government control and support should be directed to creating a productive balance between the practical and the academic.

Change and Status Quo

A third reason mentioned previously for the increasing government control was "political". Probably universities of no nation on earth can remain unaffected by and aloof from the political intervention and pressure of the time. Even a decision that the university should be left to remain relatively free from political pressure has to come as a political decision. Such decision, however, can come if the political power so chooses.

There are differences among different nations in the degree to which the political ideology of the policy are reflected in the schools and universities, and in the degree to which different political ideologies are allowed to be freely discussed, one pole representing the conservative and the other the liberal policies. Korean higher

education policy may have to move from the conservative to the liberal.

One has to realize, and the Korean experiences show it, that the conservative policy in its excess is not only essentially inimical to the basic university function for free inquiry but also invites enmity on the part of university professors and students, which has been partly the cause of frequent student unrest. A vicious circle of growing strain is sometimes created between the government insistence on the status quo and university's habit of clamoring for change.

All education, elementary, secondary and higher, stands for cultural transmission and cultural renovation. Of these, however, higher education is and should be particularly geared to cultural renovation, which promises a richer individual self realization and richer social development in the rapidly changing world. The role of government in relation to higher education may have to be redefined more with a view to encouraging changes and renovations than to containing the status quo, political, social and cultural. This, of course, needs a political courage to subject oneself to change.

Quality and Equality

Nearly every nation is plagued by the problem of quantity vs. quality in higher educaiton due to the expanding student population. Simple statistics show that while Korean higher education houses 1.5 million students, the professor-student ratio (total average) stands at 1 to 40, which is not an encouraging figure. Statistics on facilities and equipment show a sinailar discouraging picture.

In the case of Korea, probably as in other nations, ballooning expansion of the college and university population is caused by the growing need for highly skilled manpower, by the rising expectation to higher education, and by the rather steep salary differentials between college graduates and non-college graduates in many industrial sectors.

Quantitative expansion of higher education is often lamented and frowned upon sometimes as an unnecessary luxury and sometimes as qualitative diminution. But one of the important principles to be followed in the policy of higher education, the principle of equality, can only be effected through quantitative expansion. Higher education cannot and should not remain as an elitist institution. The govenment has, therefore, an important role to play in seeing to it that the opportunities of higher education grow and become accessible to a greater number of people of wider sectors and classes.

Nevertheless, the government role of quality enhancement and maintainance is not alleviated thereby. Rather, the quality building role of government grows more as the quantity expands. Only through a creative perception of the roles of government, the common antithesis of quantity vs. quality could be rendered solvable.

One may have to clearly recognize the diversifying nature of contemporary higher education. There are four-year colleges and two-year junior colleges, national and public and private colleges, and liberal and professional colleges of different qualities. Instead of the uniform policies accross all the colleges and universities, which have been a drawback in the past, government may be required to devise different roles of play for different colleges and universities of different categories and even for those belonging to the same category but with different qualities.

Pursuit of excellence in higher education is primarily the responsibility of individual colleges and universities themselves. But with a productive and imaginative redefinition of the roles the government can play in higher education, the same pursuit can be greatly envigorated.

HIGHER EDUCATION
A PROPOSAL FOR POSITIVE INTERVENTIONS BY THE THAI GOVERNMENT

Apichai Puntasen*

Historical Background

The development of higher education in Thailand can be divided into four periods. The first period was marked by the founding of the Civil Service Training College conceptualized in 1896 and completed in 1899. This college was originally designed to produce qualified personnel to meet the need for the major reform of the Thai bureaucracy in 1892. The second period was marked by the founding of Thammasat University in 1933 after the change from absolute monarchy to constitutional monarchy in 1932. The institution was partially designed for rapid enhancement of the level of popular politicization to support the newly installed democracy. The third period began in 1960. The Thai government adopted modernization policy as the new direction for national development. Higher education was designed to produce manpower required by the development plan. The period was marked by the founding of regional universities starting from Chiangmai Univeresity in 1960. The fourth period should be called the rapid expansion of higher education in response to social demand and political pressure caused by the rapid rate of economic growth. The enactment of the Private College Act in 1969 resulted from the pressing demand for higher education. The numbers of student admissions to state universities then were limited. The enactment of such a law served as a good indicator of the response to such pressure. This Act marked the beginnig of private higher institutions in the Thai education history. This was followed by the opening of Ramkamhaeng in 1971 another state university with unlimited admission and a state university for long distance teaching of Sukhothai Thammathirat, a prototype of the British open university in 1979. A brief discussion on the historical development of higher education in Thailand during these four periods will serve to explain most problems encountered by higher education in Thailand nowadays.

Formal Western education was first introduced to Thailand by an American Pre-

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sbyterian Missionary in 1848 (Pisalbutra, 1974, p. 17). However, serious adoption of the Western style of higher education could be traced to the conclusion of the Bowring Treaty in 1856. The main purpose of the treaty was to destabilize the financial position of the Thai government whose main source of revenue was from trade monopoly. In order to survive the planned economic bankruptcy at the hands of the British colonialists, the Thai government had to reform the tax structure. This reform could not be carried out without major reform of bureaucracy in Thailand. The reform of burecracy was also needed to strenghten the centralized control of political power of the Thai government. This centralized control was seen as a neccessary measure to consolidate power of the ruling monarch against British aggression.

In turn, the reform of the bureaucracy required the adoption of Western education at higher level in order to train Thai government officials to be able to deal with Westerners on an equal basis. As the result, the Civil Service Training College started to operate in 1899. This College is the forerunner of Chulalongkorn University. It was established in 1916, the first University in Thailand. The tradition of centralized control of all government agencies including higher education institutions still remains unchanged. The strong bureaucratic and financial control by the government has caused considerable obstacle to any move for administrative and organizational improvement of higher education institutions in order to cope with the current dynamism of problems.

The overthrown of absolute monarchy in 1932 demanded a new role for universities beyond that of producing capable personnel to meet the growing need of government agencies under the newly democratized regime. In response to this new requirement, the University of Moral and Political Sciences (Thammasat University) with unlimited admission, was founded in 1933. The main objective for the creation of this university was to rapidly increase the level of understanding of the contemporacy economic and political situation of the country as well as to enhance legal understanding as well as civic responsibility among the Thai people. It was visualized that rapid dissemination of such knowledge was a prerequisite for a stable democracy just newly rooted in the Thai society.

Since 1932, the country still struggles for an ideal form of democracy. Unfortunately most of the time the country has been ruled by dictators of varying degrees broken with only brief intervals of popular freedom. The degree of academic and administrative freedom in Thammasat University usually serves as an indicator of the extent of national democracy. Although it is not so serious as it was in the past,

academic freedom remains a problem for higher education institutions in Thailand. This problem in itself could also be an obstacle to some progressive proposals for change in higher education institutions.

In 1943 three more universities were created. One was Medical University (Mahidol University) developed from Medical School since 1900. The second was Kasetsart University and the third was Silapakorn University. While Thammasat specialized in social sciences, Mahidol University specialized in medicine and Kasetsart and Silpakorn specialized in agriculture and fine arts, respectively. Only Chulalongkorn University has been recognized as a complete university in itself.

The full-fledged dictator of Sarit Thanarat came to power since 1957. Thailand has adopted a modernization policy for development suggested by the United States and the World Bank as a means to develop the country as well as to combat communism. Higher education was conceived as an economic process to produce higher level manpower as part of the inputs into the country's development efforts. The role of universities to produce personnel for the civil service still receives considerable emphasis. It has, however, been made subsidiary to the new role of producing the so called "technocrats". As a result, three additional regional universities were founded. They were Chaingmai University in the North, Khonkaen University in the Northeast and Prince of Songkhlanakarin University in the South. They were established in 1960, 1963 and 1966 respectively. Unlike their predecessors, Chulalongkorn originated as a prototype of a British university; Thammasat became a prototype of a French University. The three regional universities were patterned after Amerian universities. Actually, Kasetsart University was the first to adopt the American pattern. Since 1960, all universities have been encouraged to be complete universities within their own. Thammasat begun to operate with limited admission university in 1960. The emphasis stated in the second National Economic and Social Development Planning (1967–1971) was for universities to produce high level manpower in the priority areas of engineering, agriculture, medicine and natural sciences (NEDB 1967, p. 262). The three regional universities were developed around the four priority disciplines.

It is accurate to argue that all universities in Thailand have been transformed completely into the American system by 1970. During this period many vocational shools, technical and teacher training colleges developed all over the country. The mission was to supply skilled and semi-skilled manpower as well as to improve educational quality to serve the national development objective. It is also accurate to

conclude that higher education was made subservient to the immediate economic development objective without a much longer range vision. The Higher educational system in Thailand has been made a complete prototype of the leading industrialized nation (the United States) and was guided by development policy forcefully recommended by the United States and the World Bank. Since the Thai economy was mainly agro-base with a predominantly rural sector, it is conceivable that higher education could be inconsistent with the desirable development pattern of the Thai society. This claim will be clearly demonstrated in the subsequent discussion.

Resulting from the rapid economic expansion during the 1960's and the early 1970's when the average rate of growth was around 8 per cent, there was a strong call for further expansion of higher education. As a result, private colleges were allowed to operate for the first time in 1969 followed by the opening of two universities of Ramkamhaeng and Sukhothai Thamathirat in 1971 and 1979, respectively, with unlimited admission. Presently, there are 14 state universities and technical institutions and two unlimited admission universities operated under the responsibility of the Bureau of University Affairs. Many of these universities and institutions have more than one campus spreading in various parts of Thailand. There are also five private universities and 18 private colleges of a degree granting status. In addition, there are 36 teacher training colleges, 17 physical education colleges, 45 agricultural colleges, 91 technical and vocational institutions, 24 nursing colleges, 10 dramatic arts colleges and a college of arts and crafts. All these institutions are funded by the Government and operated under various government agencies. Higher education in Thailand is relatively accessible to everyone who wishes to continue his/her education beyond the secondary level.

Serious Problem of Graduate Unemployment

Because of the rapid expansion of higher education starting from 1969, unemployment rates of college graduates appear to be significantly higher than the average rates of unemployment.

Table 1 General Rate of Unemployment and Unemployment Rate of College Graduates

Year	General Rate of Unemployment		Unemployment rate of college graduates
	Whole Kingdom	Municipal area	
1977	1.3	2.5	4.8
1982	2.1	3.0	4.3
1983	1.2	2.5	5.3
1984	1.4	2.7	5.8

Source: N.S.O. *Labour Force Survey 1977 1984–(round 1)*

It is clear from this table that while the general rates of unemployment in the municipal area are consistently higher than those of the whole kingdom during 1977–1984, the rates of unemployment of college graduates are much higher. The more worrisome aspect is that these rates appear to be on the increase as time goes by while the general rates of unemployment appear to be quite stable. However, this result should be expected as the rate of expansion of higher education in Thailand has been quite high since 1969.

There are several reasons explaining this serious problem. However, they can be divided into two parts. The first part is caused by factors outside the education sector. The second part can be explained in part by the rational of organization of higher education in Thailand itself.

Factors Outside the Education Sector

Many reasons outside the education sector explain this problem of graduates unemployment. The most outstanding reason is the incorrect development strategies adopted by the Thai government since 1961 (ONEC, 1985, p. 8). From its outset, the First Economic and Social Development Plan was aimed at mobilizing all available resources to support the development of industrial sector. Many infrastructures were constructed during the second phase of the First Plan (1964–1966). They were followed by the promotion of industrial investments, (both foreign and domestic), especially those of import-substitution during the Second and Third Plan (1967–1974). Funds for investments in infrastructures and public enterprises were obtained from foreign loans. Export promotion received special encouragement during the Fourth Plan (1977–1981).

During these two decades (1961–1981), manufacturing and service sectors expanded rapidly. Annual growth rates of the two sectors were 10.1 and 7.9 per cent,

respectively. The rate of growth in the agricultural sector was only 5 per cent, leaving a national growth rate of 7.5 per cent. At the same time there was only a small reduction in the proportional share of employment in the agricultural sector from 82.4 in 1960 to 70.8 per cent in 1980. This is because import substitution industries normally employ capital intensive technology. Therefore employment creation resulting from the expansion of the industrial sector was not significant. Naturally, the income gap between those who were employed in the agricultural sector and non-agricultural sector rapidly widened. The factor that barred people from the traditional or rural sector from entering modern sector (service and manufacturing) was primarily education. During the boom period, there was a strong pressure on the Thai government to expand secondary and tertiary education. The demand was readily responded to by educational authorities whose vested interests coincided with those who demanded it. By the time the economy started to slow down beginning in 1982, the supply of educated persons began to grow at a more rapid pace. As the demand for educated people slowed down, an increasing rate of employment began to emerge.

The promotion of import-substitution industries also brought about the second round of adverse effects on graduate unemployment. In practice, import-substitution industries imported everything starting from raw material to machinery including technicians. A rapid industrial expansion was achieved at the considerable expense of the trade deficit. During 1971 to 1981 the trade deficit increased from 8.9 billion baht to 65.8 billion baht. To bridge the total domestic saving gap foreign loans were needed. In 1982, the total amount of foreign debt was U.S. $ 9.3.billion and the debt service ratio was as high as 16.7 per cent. The proportion allocated for foreign debt payment increased to 20 per cent of total government budget. Therefore the government had to resort to spending cuts. One measure taken by the Government in 1981 was the drastic reduction in new positions advertised annually. The annual rate of increase was reduced from the average of 9.6 per cent during 1976–1980 to only 2 per cent in 1981. During this period the public sector employed nearly 60 per cent of college graduates (Puntasen, 1985, p. 181). This drastic cut in the rate of employment in the public sector resulted in the drastic drop in the demand for college graduates since 1981.

Factor Within the Education Sector

Outside factors were not all to blame for the problem of graduate unemploy-

ment. If higher education had been organized differently, the problem might not have been this severe. Discussed earlier, higher education in Thailand since 1970 has been a prototype of Western education, especially that of the United States. Educational contents have been transmitted to Thailand with only little modification. This is occuring in spite of the fact that the Thai economy and its stage of development are much different from that of the United States.

Higher education in the Western world is designed to produced qualified manpower to be employed in the secondary and tertiary sectors. Both of these are the largest job markets for college graduates in the western world. In Thailand, however the largest job market is in the rural sector where more than 50 per cent of this market is self-employed. The type of training offered by higher educational institutions in Thailand does not fit the existing job markets. Expansion of higher education in the direction which Harbison called "more of the same" will definitely lead to the problem of graduate unemployment (Harbison, 1973, p. 78–9).

Since 1974, realization of the incomparibility of Western education to the Thai society from the primary level up was conceived by the Committee for the Reform of Education in Thailand (ONEC, 1975). Attempts have been made to redesign the curriculum both at the primary and secondary levels with the intent that school leavers at both the primary and secondary levels will be capable of creating their own employment. At least, they will not be contemptuous of manual work. Unfortunately, neither a change in the prerequisites for entering higher education nor any modification in its curriculum occured following the curriculum modification in the primary and secondary schools. Consequentely, educational innovation at lower levels of education have been destroyed by the emphasis on pre-requisites of higher education in such academic subjects as Language (usually English), Mathematics and Sciences (Puntasen, 1986, pp. 232–4). Pupils at primary and secondary schools who wish to continue to higher education have no alternative but to concentrate on academic subjects only. Those who fail to enter higher education normally will neither be prepared nor will prepare themselves willingly to enter the self-employment sector of the job market, especially in the rural areas. Many are unemployed when competing for the limited job market in the urban areas. Many of those who pursue higher education will soon find that the chance for them to be unemployed is quite high too. Therefore, without any drastic change in the concept of tertiary education in Thailand, this problem of graduate unemployment will continue with an increasing degree of severity.

Autonomy and the Financial Problem

The long tradition of centralized control of the Thai government over the organization of all levels of education has created problems of efficiency, quality of education, as well as the question of autonomy and academic freedom of higher education institutions. Most staff of all state universities and colleges are government officials. They must be subjected to rules and regulations comparable to those of most civilian officials. This fact is responsible in part to the lack of dynamism required in higher education institutions. In general, the salary scale of the government officials is lower than that of other private enterprises not to mention that of international organizations. Such low salary scales can hardly attract persons of high calibre most needed for higher education institutions. Itemized control of all university expenditures by the Department of General Comptroller, Ministry of Finance in most cases has resulted in inefficiency in university financial management. This has also posed a question on university autonomy. Generally, a university faculty member has relatively more freedom in expressing her/his opinion than government officials. However, this is not without limitation since the whole organization is part of the government bureaucracy. These factors are major obstacles to any attempt to reform or reorganize higher education institutions to better serve Thai society.

As discussed earlier, rapid expansion of higher education institutions has taken place since 1969. At the same time a proportion of expenditures on higher education has shown a decreasing trend. These two opposing trends certainly indicate a financial strain on higher education in Thailand. This will in turn result in the gradual deterioration in general quality of education at this level.

Table 2 Absolute Numbers and Proportion of Students at all Levels

Level of Education	Absolute Numbers (in thousands)				Proportion			
	1970	1975	1980	1985*	1970	1975	1980	1985
Primary	5,004	7,280	7,004	6,939	89.1	84.3	77.1	71.9
Secondary	506	1,133	1,669	2,253	9.0	13.1	18.4	23.3
Higher	107	2,226	406	464	1.9	2.6	4.5	4.8
Total	5,617	8,639	9,079	9,656	100.0	100.0	100.0	100.0

* Estimated figures.
Source: National Statistical office, *Statistical Year Book 1970 1980*.

Figures in the above table clearly indicate that the the proportion of students in both secondary and higher education increased at a rather rapid rate especially in higher education during 1975 and 1980 following the opening of Ramkamhaeng University in 1971.

On the expenditure side, during 1972–6, the education sector received 19.4 per cent of the total government budget. This share increased to an average rate of 20.3 per cent during 1977–83 and dropped to an average of 18.9 per cent during 1984–87.

Taking into consideration that the share of repayment of foreign debt in the total government budget has increased rapidly since the early 1980's, the small deterioration in the share of the government budget for education since 1984 does not appear to be a serious problem. Nevertheless, the more worrying aspect is that this decreasing trend will continue in the future. The critical financial situation of higher education in Thailand can be demonstrated in Table 3 below. While higher education institutions have expanded at a rather rapid rate, their share of the government budget has been consistently decreasing. Given the fact that the proportion of the educational budget has been decreasing also, this means that the resources available to higher education institutions are now dwindling.

Table 3 Share of Educational Budget by Various Activities

Period	Primary	Secondary	Higher	Informal	Administration and others	Total
1972–76	55.2	24.6	13.1	1.1	6.0	100.0
1977–83	54.3	25.6	12.9	1.7	5.5	100.0
1984–87	56.8	27.5	11.6	1.8	2.3	100.0

Source: Data and supplied by ONEC on request.

It is quite reasonable for primary education to have received an increasing share of educational budget from the government. In the past, the quality of this level of education provided by the government especially in the rural area was very poor. Recently, there has been a considerable improvement in educational services at the primary level especially for the rural population. The increasing share of the educational budget at the secondary level is also justified on the grounds of rapid expansion of education at this level. The increase in non-formal educational costs is reasonable since this type of education has received only little attention in the past.

Non-formal education normally benefits the under-privileged. All these increases in the government budget are achieved through sharp reductions in administrative costs and a gradual reduction in the share of higher education. The above figures imply that expansion of higher education must occur in those fields where costs are relatively cheap such as those in humanities, social sciences, education and law. These are the areas where the problem of graduate unemployment is most serious.

Even more serious still, the detailed break-down of cost of higher education, indicates the proportional increase in the item of salaries and other compensation at the reduction in share of other items. This increase is resulted from the rapid expansion of staff member in fields where the total costs are cheap. Since salaries and compensation is the main cost component of these fields.

The exception was for 1979 where an increase in investment in land and construction was higher due to the opening of the new university of Sukhothai Thammathirat. Again, this figure confirms the reduction in the proportion of higher education funds devoted to science, applied science and technology. If the trend continues in this direction, the quality of educational services provided by the system of higher education will greatly deteriorate.

Table 4 A Breakdown of Various Cost Items of Higher Education of the Bureau of University Affairs

(per cent)

Cost Items	1972	1979	1983	1986
Salaries and other compensations	50.3	41.7	57.6	65.0
Utilities	—	—	6.3	6.4
Materials	13.0	16.7	9.1	9.0
Equipments	9.8	9.4	10.8	4.7
Land and Construction	21.5	30.7	13.1	12.1
Subsidies to students	5.0	6.1	2.0	1.9
Other expenditures	0.4	1.4	1.1	0.9
Total	100.0	100.0	100.0	100.0

Source: Data supplied by the ONEC on request.

Summary of Problems Caused and Faced by Higher Education Institutions

The first and the most serious problem of the Thai higher education system is the adoption of an incompatible form and content of education from industrialized countries. This incompatibity has produced two consequences: graduate unemployment and the failure to facilitate educational innovation in secondary secondary schools. These problems cannot be resolved if those who are involved in providing educational services at this level (teaching staff as well as administrators) do not perceive that they are part of the problems. This issue has become clouded by the fact that the system of higher education is facing a financial crisis. At, the same time the whole system is rather inflexible because of a heavy pattern of bureaucratization. This problem in itself has caused inefficiency within the system and the lack of dynamism in formulating new ideas to tackle existing and foreseeable problems. Lack of automony and academic freedom are also contributing factors to the problems of inefficiency and lack of dynamism.

Proposed Government Interventions

Actually, the financial problem of higher education is not necessarily a crisis if it is handled properly. Tuition fees collected from students are still low in comparison with the total cost of education. At the secondary level, the tuition fee collected from students in the academic stream in 1982 was only 18 per cent of the total cost while fees in the vocational stream were around 30 per cent. At the same times tuition fees collected from students in sciences, technology and applied sciences were less than 5 per cent of the total cost, while in social sciences, arts and humanities they were less than 20 per cent during the same period (Puntasen, 1985, pp. 89–90).

It was recommended by the Committee for the Reform of Education in 1981 that the fees collected from a secondary student should be at the rate of 30 per cent of the average cost while that of higher education should be at the rate of 40 per cent (Committee for the Reform of Education, 1981, p. 298). Given this recommendation, only the fees collected from vocational students at the secondary level meets this guideline. There is sufficient room for the restructuring of tuition fees at the level of higher education. The question is whether higher education institutions themselves have enough political will to implement this proposal.

Since their inception, private colleges have charged full fees. It is, therefore, possible for government funded institutions to adjust their fees. Because of greater flexibility in management, the cost per head of private institutions of comparable

standard and fields of specialization to that of the government funded institution is lower than that of the government by 20 per cent (ONEC, 1985, p. 125). In 1982, these private institutions charged full annual fees of around 10,000 baht per year while the comparable government institutions charged only 2,400 baht. Such a wide gap in fee structure between private and government institutions should be sufficient to induce government institutions to adjust their fees at least by one hundred per cent. With the new fee structure their fee would be still sufficiently lower than that of private institutions (at least 50 per cent lower). Convincing government funded institutions to adjust fees should be one of the measures adopted by the government.

To improve efficiency and to encourage the dynamism in organization of the state universities, there should be less bureaucratic control by goverenment. University staff should not be government officials. The full merit system should be adopted for promotion and demotion. Government subsidies paid to state universities should be by block grant without itemized control of expenditure as currently practiced. In other words, the universities should be given full autonomy and academic freedom.

Measures proposed thus far may alleveviate the problem of financial burden faced by higher education institutions as well as enhancing the degree of their automony and academic freedom. Further, it would enhance efficiency in their organization. Nevertheless these proposals have no direct bearing on the more serious issue of how universities should be reorganized to suit the country's development needs. In order to encourage universities to make their course contents more relevent to such needs as well as to reorganize their method of acquiring and disseminating useful knowledge, the government should also encourage universities to interact more freely with their surrounding communities, industries and enterprises. Universities should be encouraged to provide more services to communities rather than to limit their role mainly to produce university graduates. With such increasing interaction, universities will gain more useful knowledge and experience as well as possible financial support from such activities. Universities can use this newly aquired knowledge and experience to redesign training programs to be more relevant to the societal needs. Moreover, instead of playing a dominating role in regulating the curriculum at lower educational levels in such a manner that they are less relevant to the country's needs, universities should be geared to play a strong supporting role to accommodate all useful educational innovation at lower levels. In short, there must be a reversal in hierachical direction. Primary education should be redesigned to meet individual as

well as societal needs at the grass root levels. Secondary and vocational education should be redesigned to accommodate such changes. Higher education should finally be regulated according to the needs for improvement of educational capability of the two lower levels.

This way higher education will be redesigned completely to meet the real needs of the country. Positive intervention by the government then would be to provide financial support to universities who initiate their new projects in these new directions. If the measures recommended above are implemented higher education institutions in Thailand can be expected to play a much more useful role in supporting the development of Thai society.

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THE ROLE OF GOVERNMENT IN INDONESIAN HIGHER EDUCATION A SEARCH FOR EQUITY AND GOOD QUALITY IN HIGHER EDUCATION

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Introduction

This paper discusses the rapid growth of Indonesian higher educaiton after World War II, particularly since the 1960's. A combination of the high rate of population growth of 2.3 percent per annum until the late 1970's and the process of educational democratization after independence in 1945 has produced a very rapid demand for education, and subsequently also at the tertiary level. A relatively low rate of economic development in the fifties and the sixties had no significant effect on the growth of education because people in their newly found independence feel that education is the first gained opportunity, and considered as the most important requisite for betterment in life in modern society. With the traditional value that put the government in the central position of the societal structure and social processes, the government was compelled to provide education for all. The capability of resource mobilization in the public sector in education is always lagging behind the social demand. Since the early 1960's the educational system has been liberalized in the sense that the private sector has been given ample opportunities to set up educational institutions at all levels, side by side with the public university network. The very rapid growth in higher education has somewhat negatively affected its quality so that the government has to intervene with a set of policy prescriptions to safeguard the public interest. This takes forms e.g. in the national entrance examination to public universities, accreditation of private educational programs, subsidies of various kinds and other facilities for international cooperations. The consequences of these policies will have some impacts on the society at large in the long run in their perception and also in their expectation regarding higher education and the redefinition of the objectives of higher education in national development.

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Historical Background

When Indonesia gained independence from colonial rule after World War II the number of indigenous students at the tertiary level of education was less than 700. It grew rapidly to about 100,000 in the early 1960's. Since then it progressed exponentially to almost 1.3 million in 1987. The expansion of public universities happened in the sixties due to political reasons, so that now Indonesia has 44 public universities and one open university. There is at least one university in each province. These public universities can only accomodate around 15 percent of the annual output of high school graduates through national entrance examinations. The expansion of the school system at all levels since 1950's put a very heavy pressures upwards, and ultimately also upon the tertiary level. Large numbers of high school graduates who could not find place in public universities were looking for alternatives. This induced private organizations to venture in higher education. The progress of private institutions has overtaken the public sector. To the present there are about 665 private institutions of high learning spread all over the country. Various factors contribute to this rapid growth. Conviction that education is the springboard toward better life is one. Secondly the popular belief that a university degree greatly enhances individual status in the still heavily agricultural society, and thirdly the relatively low cost of higher education in public institutions encourages young people and their parents to eye for university education. The low cost policy of education has become a very serious obstacle for resource mobilization within the public sector of higher education. In the private sector, however, since there is no tuition fee control imposed by the government, the inflow of community resources has fared better. This imbalance should be corrected very soon or a decrease in quality can not be avoided. The political process in this direction, however, might be long and strenuous.

In terms of the equity aspect, the combination of public and private institutions has been also to accomodate around 62 percent of the annual flow of high school graduates. The remaining 38 percent go directly to the job market. The slowing down of the rate of growth of the economy since the early 1980's has shown its impact on employment, including the university graduates of social sciences and humanities. Although the overt graduate unemployment is not very apparent, a longer waiting time to land a job even for the second and the third choice is generally felt. The imbalance between supply and demand of university educated manpower in the last few years, from the impact of the global economic recession has been strongly felt in Indonesia. This has aroused some public discussion on the government policy

on education and higher education in particular. The dual role of education as human capital investment and cultural revelation is keenly scrutinized during times of stress. Of course the fluctuation of graduate employment has been experienced in the past. But not as hard as now, and more so that the absolute number of university graduates in the last few years has increased substantially. Since the freedom of choice in education is constitutionally guaranteed, the government policy is focussed on improving the quality of education in the view that this will lead toward better skill and productivity, and in turn will generate further progress of the economy and employment.

Government Policy in Higher Education

The funding of public universities is the responsibility of the national government. Provincial governments may also provide some financial contribution from their own budgets to universities located in their region, but there are very minor ones. Operational as well as investment funds of public universities are annually allocated through the Ministry of Education and Culture budget. Universities prepare their annual budget proposals based on university planning and programs. The national government may also ask a particular university to implement some programs of national importance of which the planning and preparation are done at the Ministry. Series of consultations between the Ministry and universities are conducted to ensure satisfactory allocation of funds under the budget ceiling determined by the Ministry of Finance and the National Planning Board. The number of new recruits of academic and non-academic personnel is also determined by the national government annually, as public university employees carry the status of public servant. Tuition fees and other proceeds of university activities basically are utilized within the university but are generally only a minor fraction (less than 10 percent) of total expenditures. This is due to the low cost retrieval policy in education. The financial leverage of the national government upon public universities puts the government in a position to play an important role to formulate policy with respect to program development, curriculums structures, man-power development, and investment policy for hardware. The constraint of the government control on public universities exists in recognition of university academic autonomy which generally is taken seriously among academics. Critical problems faced by a great number of public universities viewed from macro-policy angle are a low level of internal efficiency and unsatisfactory quality. While the quality problem has many dimensions such as physical facili-

ties, funds, and academic staffs, it is also bound by the concept of relevance. The elusive concept of quality or excellence sometimes is interpreted to justify inaction or inefficiency. A high rate of repeaters and drop-outs should be kept down to a minimal level to avoid large social wastage in education. The next critical problem is academic staff development. To improve the quality of teaching and research, academic staff should undergo continuing development. The government has taken steps to send large numbers of junior staff abroad for postgraduate training. This is financed through a combination of government budget, bilateral international cooperation and multilateral loan agreements such as from the World Bank and the Asian Development Bank. While the domestic post-graduate program is relatively new and still needs institutional stabilization, foreign post-graduate training for academic staff still plays an important role in university development. Visiting foreign professors are also an important part of the overall scheme.

Regarding the private institutions which have grown very fast since the early 1970's; government policy is geared toward ensuring those institutions of having good internal management, sufficient human resources and solid academic programs. The government appoints 9 regional supervisors to oversee the private university system in the country. There are three levels of status that can be earned by a private university as the outcomes of periodical evaluation conducted by a commission under the regional supervisor. The first level of status is where final examinations required for students have to be supervised by the governmental committee. The second level status would be given when an institution performs some progress in its programs and management so that the government only imposes partial supervision on its final examinations. The third level of status is given when a private institution is entrusted the full autonomy to conduct its own affairs. The fast growing private institutions while they are obtaining better inflow of public resources are generally lacking in sufficient academic staffs. They rely heavily on part time instructors from public institutions. Governmental supervision is partly meant to assure optimal utilization of these resources for the entire system of higher education both public and private. The government gives various kinds of assistance to private institutions in their process of development. Financial subsidy as seed money to facilitate the hardware development such as classrooms, laboratories, libraries etc., appointment of academic staff on the government payroll assigned full time at private institutions, domestic and foreign fellowship for manpower development and other facilities for international exchange programs and cooperations. While basically private institutions are

free to start new programs, the regional supervisor uses his persuasive capacity to avoid the opening of new programs that are already saturated in the community. Continuous consultations between public and private universities are organized to find ways of solving their interfacing problems. The public university not only allows its academic staff to serve as part time teachers, in some cases it also agrees that some of them serve as functional officers at the private institution as dean or even rector of the institution for a certain period of time. A close interlink between public and private institutions of higher learning has induced the government to mold a unified pattern of higher educational policy at the national level. Due to the fact that the private sector accomodates more students than the public side, a successful policy that generates correct perspectives and trends for dynamic and efficient higher education is deemed very important. To safeguard academic freedom and autonomy of the private universities from ever present governmental control, the board of private higher education can directly appeal to the Minister of Education and Culture and to the Parliament.

Some Implications of Government Policy in Higher Education

Governmental intervention in education is based on the experiences that a live and let live policy has not always assured the efficient allocation of scarce resources in higher education. In a developing society like Indonesia the academic tradition is still very new, and its early pattern was a copy of foreign universities, namely an unruly melange of continental European and American systems. Aside from traditional academic values there are also national needs for social transformation towards modern society to be addressed. These among others are creation and the preservation of national identity and coherence, the utilization and the augmentation of productive capacity, the creation of political consciousness and the capacity to exercise political judgement in the national interest, creating social consciousness and capacity to pursue social judgement, creating international competitive strength and consciousness for international cooperation, the rejuvenation and the preservation of national culture, and the accentuation of socio-economic transformation for a better quality of life. These national objectives together with standard criteria of equity, excellence, and relevance become the beacon of the government policy in higher education. Due to the fact that secondary educational quality is not homegenous throughout the country, there are quality differentials between urban and rural schools, and also quality differences between regions. The government modifies some of the national

entrance examination outcomes by putting extra weight on the marks to ensure a more balanced representation of newcoming students between regions and also between the urban and rural part of the community. Representation by women in higher education varies: 41.54 percent among non-degree students, 31.86 percent among degree students, and 30.34 percent among postgaduates. In academic staff it is about 23 percent, while several faculties including psychology, dentistry, biology and letters are becoming more and more feminine. Emphasis on the equity aspect has imposed some extra cost for matriculation and remedial courses and also affected the level of internal efficiency. Limited budget for investment in public universities has forced the government to look for international assistance including loans from multilateral organizations. Since the stage of development of universities among regions is not homogenous, the government also puts special attention of its investment policy upon these least developed areas outside the island of Java. To better meet social demand for teachers of secondary education especially in sciences, teacher colleges have to revamp their curriculum structures and their paedagogical teachings for better quality of science teachers. The same spirit of intervention was also conducted to enhance the output of engineers to meet the increasing social demand in industry. Special programs in some established engineering faculties in mechanical, electrical, chemical, and electronics engineering are injected into their regular programs that otherwise will never take place.

New and dynamic programs for the future beyond the vision of individual universities such as marine sciences and marine resource development, advanced biotechnology, nuclear sciences etc. are planned by the government and then discussed with universities for possible implementation. The government considers the possibility of graduate unemployment very seriously. Instead of expanding the number of the present network of public universities the government has shifted its priority towards polytechnics that produce middle-level skilled manpower for industrial development. Concurrently there are 19 polytechnics under construction, aside from the existing 8 already in operation. So far almost 100 percent of polytechnic graduates are absorbed in the industry.

The question of relevance of university education with respect environmental and societal demands has become the recurrent topic of public discussion, which centers around two major issues. First, the relevance of theories that were generally imported from western countries with a different social and political setting than Indonesia. This is true particalarly in the case of social sciences and humanities.

Secondly, the relevance of on-going study programs which graduates start to face difficulties in finding jobs. The latter discussion never reaches a firm conclusion, because programs that seem to be saturated are never lacking for eager new coming students every year.

The concept of excellence can have various meaning. It is a bound concept of the quality of education which changes over time. It maintains a logical relationship with minimum required standards that are relevant to discipline, community and national needs, individual expectations and ideals. Yet the concept of excellence is bounded by the norm of relevance. The basic policy issue is the pursuit of excellence and relevance concurrently. This touches many managerial aspects of unversities, including student intake policy, faculty recruits, academic staff development, and a viable environment for good quality research and effective incentives for good quality work. Excellence sometimes means capital intensive investment in hardware for advanced technology. The crux of the problem for the government facing a stringent budget is to find the golden mean of optimal allocation of available resources against the competing objectives and even conflicting public interests. As a guardian of standards of quality in higher education, the government set up a system of consortia consisting peer representatitives of academics in groups of disciplines to monitor the level of teachings and research at universities. Those groups submit proposals to the government if intervention should be needed to correct slipping trends in quality.

Equity, efficiency, quality and relevance are the core components of the government policy in higher education. To put them concurrently in implementation requires compromising scarce resources. Since the managerial structures and organization of the universities play a very desicive role to assure achieving national objectives in higher education, the government issues a series of legal enactments and directives to public universities pertaining to their management. All functional officers of public universities (Rectors and their deputies, Deans and their deputies etc.) are appointed by the government upon the election results conducted by the academic senate. University statutes and covenants regulate the internal affairs of the universities. Flexibility of the span of control within the university and accountability of the use of resources are the basic tenet of administration to be followed.

Conclusions

Providing education up to the tertiary level for all citizens require deployment of a substantial amount of resources. The government budget alone especially when the

growth rate of the economy is at the low side, (around 4–5 percent annually) it will certainly not be sufficient to support such a policy. On the other hand the high rate of population growth puts a continous pressure on the demand side of education at all levels. Tension between limited resources and ever expanding demand will stretch the former too thinly until a meaningful policy in education becomes impossible. Aside of the widening process in higher education to promote equity, the government should also address itself upon the deepening efforts toward quality and excellence. Low cost retrieval policy in higher education soon should be reassessed even if a thorny political process has to be followed. The society has to be aware that higher education is an expensive endeavor. This holds true as well when it is ventured by public universities with some level of government subsidy. The pursuit of quality and excellence will have to be selective based on the merit system and the concept of centers of excellence. These centers of excellence universities must conduct teaching and research of high quality and keep abreast with the progress of science and technology. They must also remain sensitive to the dynamic social demands of modern society. This nucleus policy that has been initiated in the last few years needs to be strengthened even more in the future.

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THE ROLE OF THE GOVERNMENT IN HIGHER EDUCATION IN MALAYSIA

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1. Introduction

The aim of this paper is to describe briefly the relationship between the Government and higher education in Malaysia. Higher education here is taken to mean university education, which is generally conducted in degree granting institutions. It does not include institutes or colleges which conduct diploma or certificate level courses.

The formal system of education in Malaysia (see Chart 1) has traditionally been under the control of the Government. This includes higher education. While there is no clear education act to prevent the private sector from organizing and setting up private schools in Malaysia, private sector education has never been large. However, higher education has always been directly and indirectly under the control of the government, since the first university was established in Malaysia in 1962, that is, the University of Malaya, Kuala Lumpur.[1]

The 1971 Universities and University Colleges Act stipulates that "No higher education institutions with the status of a university shall be established except in accordance with the provisions of this Act."[2] "No person shall establish, form, or promote or do anything or carry on any activities for the purpose of establishing or forming or promoting the establishment or formation of a University or University College otherwise than in accordance with the provisions of this Act."[3] "No educational institution or person shall issue to or confer to any person any degree or diploma purporting to be a degree or diploma issued or conferred by a University or University College unless issue or conferment is in accordance with the provision of this Act."[4] "Any person who contravenes sub-section (1) or sub-section (2) shall be guilty of offence and shall on conviction be liable to a fine of ten thousand dollars or to imprisonment for a term of five years or to both."[5] A private university may only be established through treaty with other governments or international organization.[6] In short, university education in Malaysia is fully under the control of the Government.

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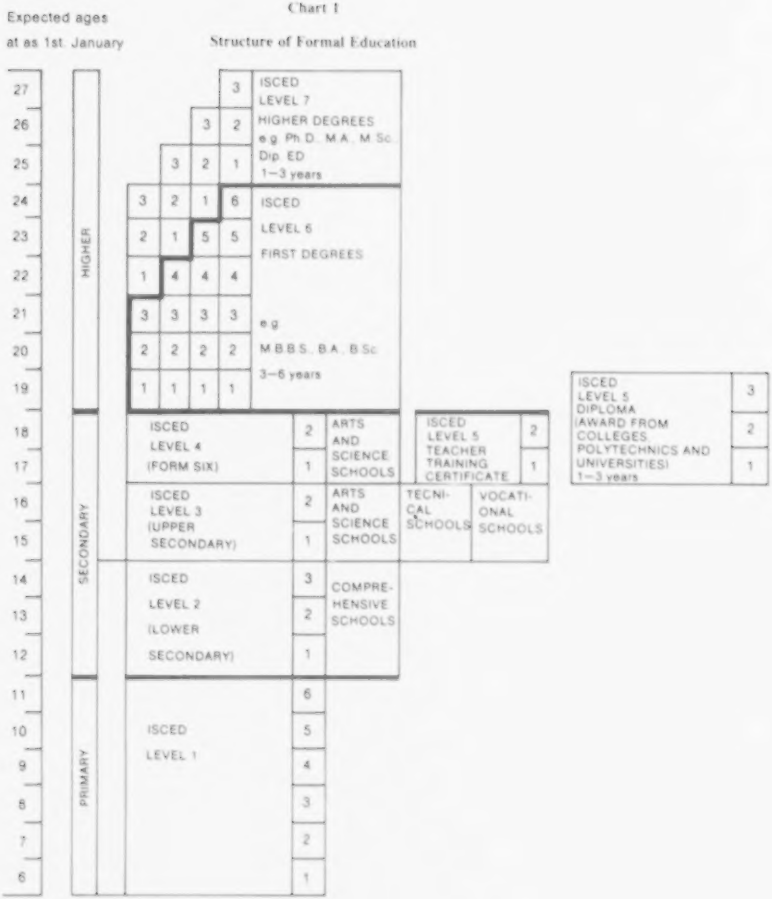
Chart 1

Structure of Formal Education



ISCED (International Standard Classification of Education)

Source: Educational Statistics of Malaysia 1980-85, Ministry of Education Malaysia, 1986

The Government has a major role in determining the development of university education — in the establishment of new universities or university colleges, in student enrolment, in staff appointment, in curriculum, and in the financing of the universities. Currently there are six "government" universities and one "private" international university in Malaysia.[7] They are: Universiti Malaya, Universiti Kebangsaan Malaysia, Universiti Pertanian Malaysia, Universiti Sains Malaysia, Universiti Teknologi Malaysia, Universiti Utara Malaysia, and the International Islamic University.

The argument for government control of higher education is partly academic and partly political. Higher education is an expensive enterprise, ant it is felt that there is a need for control of its development to ensure its academic quality. Malaysia seems to have always maintained that its university education and degrees should generally be at par with that of the good universities abroad, especially those in the Commonwealth countries (United Kingdom, Australia, New Zealand) and to a certain extent the U.S. The other argument is that university education should be seen as part of the process of nation building — investment in higher education should bring about socio-economic and political development of the nation; there is need to develop national identity and integration through education and there is need to develop university programmes in relation to the manpower requirements of the country. Lian Teck Jin (1976, p. 34–5) argued that public control and finance of higher education since 1971 has been guided by the New Economic Policy, which is to create a balance in the opportunity for the Malay and Bumiputra groups in higher education, so that later they can participate in professional and managerial level occupations in the public and private sectors.

However, even before 1971, university education in Malaysia has always generally been financed and controlled by the government. In 1949 when the first university, that is, the University of Malaya in Singapore, was established by the British colonial government, eighty per cent of its finance came from the government. It was modelled along the British university. Although it was supposed to be autonomous, a high proportion of its staff were recruited based on the criteria of most British universities. Student admission was based on the results of the Post-School Certificate or Higher School Certificate Examinations which were government controlled examinations. University education then was conducted in English. The colonial government's control of the University of Malaya though indirectly, through the University Council, was effective. Appointment of members of the University Council was largely made by the Government.

Until today, similar set up, with some modifications, has been followed for higher education administration. Each university is a statutory body governed by a University Council. The majority of Council members are appointed by the government. The function of University Council is to oversee and approve the general administration of the university — in university finance, staff service matters and the general activities of the university. The government's direct link with the university is through the Ministry of Education, especially the Higher Education Division of the Ministry which normally acts as the secretariat for the general policy development of higher education in Malaysia. There is also the Vice-Chancellors' Council chaired by the Minister of Education which acts as a forum to discuss inter-university matters and to arrive at common approaches for the solution of university administrative problems. Government influence in university matters, whether indirectly through the University Council, or directly through the Council of Vice-Chancellors and through the annual allocation of funds for the uniersities, is substantial.

I would like to discuss government participation in university education in Malaysia in the following areas: financing of higher education, student admission, academic programmes, medium of instruction, staff recruitment and service, and research.

2. Financing of Higher Education

The most important aspect of government control of higher education in Malaysia is through financial grants and allocation for universities. Over ninety per cent of the university's income comes directly from the government. Fees from students constitute only about six per cent and the rest comes from sources such as house rental and investments. Table 1 shows the sources of finance for the University of Malaya from 1983–1985, which is generally a typical example of sources of finance for universities in Malaysia.

There have been suggestions that alternative sources of financing should be looked into by the universities to strenghten their income. There have been criticisms of high government financing of higher education on the grounds that public subsidy in university education tends to benefit those from higher income groups, whose children disproportionately benefit from higher education (Lian Teck Jin, 1976; Ozay Mehmet, 1986). Royal Professor Ungku A. Aziz (1973) proposed that "scholarship loans" be established in place of the existing scholarship system for students. The argument is that the Malaysian Government needs to economise the use of its funds.

TABLE 1
SOURCES OF FINANCE, UNIVERSITY OF MALAYA
1983–1985

	1983		1984		1985	
	$	%	$	%	$	%
GRANTS from Government of Malaysia	71,425,600.00	81.3%	71,524,600.00	81.4%	93,000,000.00	90.2%
FEES	5,876,361.01	6.9%	5,959,674.51	6.8%	5,817,156.45	5.6%
INCOME from						
House Rentals	330,245.98		362,435.96		294,962.39	
Investments	1,719,492.24		1,654,668.12		3,207,619.77	
Others	1,516,605.07		877,730.97		785,689.04	
	3,566,343.29	4.2%	2,858,835.05	3.2%	4,288,271.20	4.2%
	85,784,592.42	5.6%	7,544,574.74	8.6%	—	—
	85,784,529.42	100.0%	87,887,684.30	100.0%	103,105,427.65	100.0%

Source: Extract from *Universiti Malaya Laporan Tahunan Ke–36* (University of Malaya 36th Annual Report) and *Universiti Malaya Laporan Tahunan Ke–37* (University of Malaya 37th Annual Report), Kuala Lumpur, University of Malaya, Public Relations Office, pp. 179, 189.

The extra income from student fees can be used to expand university places and facilities. As Lian (1976) argues, the Student Loan Scheme would reduce public subsidy and enhance equity. However, only a limited aspect of the scheme has been implemented. The financing system of higher education has generally not changed. Every year each university would put up its budget proposal for the consideration and approval of the Treasury and the Government. In 1983 and 1984, due to shortage of public funds, universities had to operate on a standstill budget. One of the consequences of reliance on government grants is that universities are less free to plan its development in long range terms.

3. Student Enrolment

Student enrolment into the university (University of Malaya) from 1962–66 is as shown in Table 2. Due to the high demand for university places, four other universities were established in subsequent years: Universiti Sains Malaysia in 1969, Universiti Kebangsaan Malaysia in 1970, Universiti Pertanian Malaysia in 1971, and Universiti Teknologi Malaysia in 1972. The total enrolment in 1970 went up to 8,148, in 1975 the figure rose to 14,254 (*Third Malaysia Plan*, p. 401), and in 1985 the figure was 43,258. The enrolment for 1980–1985 is also shown in Table 2. As can be seen,

there had been an increase by 203.5 per cent of students in 1985 compared to 1975. This does not include the number of Malaysian students studying abroad. It is estimated that a total of about 31,500 Malaysian students were enrolled in overseas institutions in 1975; in 1978, 36,900; in 1985, 60,000 and out of this, it is estimated that 20,000 were pursuing degree level courses (*Fifth Malaysia Plan*, p. 489).

TABLE 2
ENROLMENT IN UNIVERSITIES IN MALAYSIA

Year	Number	Year	Number	Percentage of Age Cohort 19- to 24
1962	1,341	1975	14,254	
1963	1,736	:	:	
1964	2,225	1980	26,410	1.63%
1965	2,835	1981	30,231	1.80%
1966	3,603	1982	33,291	1.92%
:	:	1983	36,361	2.03%
1970	8,148	1984	40,401	2.19%
:	:	1985	43,258	2.29%

Sources: Malaysia, Ministry of Education, Educational Planning and Research Division, *Educational Statistics of Malaysia 1938–67*, Kuala Lumpur, Dewan Bahasa dan Pustaka, 1968; Malaysia, *Monthly Statistical Bulletin of West Malaysia*, March 1974; Malaysia, *Third Malaysia Plan 1970–1975*; Malaysia, Ministry of Education, Educational Planning and Research Division, *Educational Statistics of Malaysia 1980 1985*, Kuala Lumpur, Ministry of Education, 1986.

TABLE 3
NUMBER OF APPLICANTS FOR LOCAL UNIVERSITY PLACES AND NUMBER OFFERED

Academic Year	Number of Applicants	Number of Places Offered	%
1982/83	19,522	6,227	31.9
1983/84	28,858	6,890	23.9
1984/85	32,168	7,192	22.4
1985/86	32,209	8,213	25.8
1986/87	30,973	8,595	27.7
1987/88	27,658	9,289	33.6

Source: Ministry of Education, Malaysia.

Student demand for higher education in local universities and the number of places offered for the period 1982–87 in shown in Table 3. It can be seen that generally only about twenty-five to thirty per cent of total applicants are admitted each year. The high demand for higher education is obviously triggered by two factors. Firstly, there has been a high correlation between education, employment and income, and secondly, there is the social prestige of having university degrees. The high demand relative to the number of places in local universities has been a major problem of higher education in Malaysia. A number of steps have been taken to overcome this problem.

1) Sending students to universities abroad. As indicated earlier, there is a high number of Malaysian students studying in overseas institutions. This obviously constitutes a big drain in foreign exchange, estimated at M$1.6 billion (U.S. $640 million) a year. However, the number going abroad for higher education is likely to be on the decline in the near future as the cost of higher education for foreign students in a number of countries such as U.K., Australia, and U.S.A. rises, and the prospect of employment gets less bright.
2) Opening up more universities in Malaysia. This was done by setting up another university called Universiti Utara Malaysia in 1984.
3) Expansion of places in existing universities. Generally, the intake by local universities has been on the increase as shown in Table 2. But the expansion is not big enough to cater for the demand, and this year the Ministry of Education proposed that each university increases its 1987/88 intake by twenty-five per cent without increasing cost.
4) Setting up of "open university" system. The idea of "open university" has been promoted since 1972 by Royal Professor Ungku A. Aziz. Recently there was indication of some interest in this. However, so far the government does not seem to take this option in higher education development. The off-campus course offered by Universiti Sains Malaysia is rather limited.
5) Linkages or "twinning" of local colleges with universities abroad. This concept was first proposed by the Minister of Education in 1984 to reduce student enrolment in overseas universities, as well as to reduce the flow of foreign exchange out of the country. Under this scheme students do one to two years of their university education in local colleges and the last two years in the "parent university" abroad. So far, a few universities in U.K., Australia, and U.S.A. have opened up their "overseas branches" in Malaysia by "twinning" with government

educational agencies such as MARA or with local private colleges set up for this purpose.

One aspect of government intervention in university education is the introduction of the 'quota policy' of university admission between Bumiputras (Malays and other indigenous people) and the non-Bumiputras (Chinese, Indians and others) in 1971. Prior to 1970, due to the 'open' admission policy, a disproportionately high percentage of non-Bumiputras enjoyed university education (at that time, University of Malaya). Table 4 shows the breakdown of enrolment at the University of Malaya for the 1966/67 session by course and race. As can be seen, Malays constituted only 28.8 per cent as compared to 56.5 per cent for Chinese and 14.7 per cent for Indians and others. After 1970, as a result of the New Economic Policy to restructure the socio-economic development of Malaysia, a positive discrimination policy was introduced to increase the participation of Malays and other Bumiputras in tertiary level education. As a result of this policy, by 1975, 57.2 per cent of Malays and 36.6 per cent of Chinese and 6.2 per cent of Indians and others were enrolled in local universities (*Third Malaysia Plan*, p. 401). In the case of the University of Malaya, the enrolment breakdown by ethnicity for 1985/86 is as shown in Table 5. In general, it can be said that government intervention in local university admission policy and university enrolment to reflect proportionately the ethnic composition of its population, has achieved its objective.

TABLE 4
ENROLEMENT AT UNIVERSITI MALAYA FOR THE 1966/67 SESSION BY COURSE AND RACE

Course of Study	Race			
	Malay	Chinese	Indian & Others	Total
Agriculture	30.3 (56)	61.6 (114)	8.1 (15)	100.0 (185)
Arts	42.5 (780)	39.7 (729)	17.8 (327)	100.0 (1,836)
Engineering	1.6 (5)	90.0 (280)	8.4 (26)	100.0 (311)
Science	7.5 (50)	81.5 (546)	11.0 (74)	100.0 (670)

Medicine	15.9 (44)	73.6 (204)	10.0 (29)	100.0 (277)
Education	28.3 (54)	46.6 (89)	25.1 (48)	100.0 (191)
Economics & Administration	36.8 (49)	54.1 (72)	9.0 (12)	99.9* (133)
Total	28.8 (1,038)	56.5 (2,034)	14.7 (531)	100.0 (3,603)

Source: Malaysia, *Report of the Committee Appointed by the National Operations Council to Study Campus Life of Students in the University of Malaya*, Kuala Lumpur, Government Press, 1971, Tables 1 and 3.

Notes: Figures without parenthesis are percentages while those within brackets are absolute figures.

* Total does not add up to 100 due to rounding off.

TABLE 5
ENROLMENT AT UNIVERSITI MALAYA FOR THE 1985/86 SESSION BY COURSE AND RACE

Course of Study	Race				
	Bumiputra*	Chinese	Indian	Others	Total
Economics & Administration	744 (54.1%)	533 (38.7%)	94 (6.8%)	5 (0.4%)	1376
Islamic Education	120 (100.0%)	–	–	–	120
Arts & Social Sciences	1235(58.7%)	737 (30.6%)	232 (9.6%)	27 (1.1%)	241
Islamic Law	190 (96.4%)	–	–	7 (3.6%)	197
Law	243 (60.6%)	119 (29.7%)	37 (9.2%)	2 (0.5%)	401
Islamic Theology	165 (98.2%)	–	–	3 (1.8%)	168
Engineering	210 (25.7%)	492 (60.2%)	110 (13.5%)	5 (0.6%)	781
Dentistry	154 (58.6%)	85 (32.3%)	24 (9.1%)	–	263
Medicine	425 (56.8%)	251 (33.6%)	68 (9.1%)	4 (0.5%)	748
Science & Science with Edn	889 (48.4%)	750 (40.8%)	183 (10.0%)	14 (0.7%)	1836
Total	4556 (54.6%)	2967 (35.6%)	748 (9.0%)	67 (0.8%)	8338 (100%)

Source: Extract from *Universiti Malaya Laporan Tahunan Ke–37* (University of Malaya 37th Annual Report), Kuala Lumpur, University of Malaya, Public Relations Office, p. 170.

* Includes Malays and other indigenous races from Sabah and Sarawak.

4. Academic Programmes

One of the major rationales for government control of higher education is that university academic programmes should meet the manpower demands of the country. New universities set up in the early 1970s were based on the rationale that academic programmes offered by each of them should not, as far as possible, be duplicates of programmes offered by other universities. Control for this is carried out by the Ministry of Education. This is done through the mechanism of approving or not approving proposed programmes of studies submitted by universities, and from time to time through the Council of Vice-Chancellors, as well as througn the five-year development programme of higher education. The government does indicate generally areas of need by the country and the academic programmes that should be developed or expanded by each university. Universities generally do respond to this. However, general control of academic standards is in the hands of the Senate of each university.

5. Medium of Instruction

One major policy of the government was to change the medium of instruction universities from English to Bahasa Malaysia, the National Language of Malaysia. The gradual process of conversion began in the early 1970s. Now almost all university courses at the undergraduate level are taught in the medium of Bahasa Malaysia. At the beginning crash programmes were organized for university lecturers to enhance their Bahasa Malaysia proficiency, so that they can teach in the national language. One of the major problems faced with the implementation of this policy is the shortage of reading materials and references in Bahasa Malaysia. The shortage of reading materials is still quite acute although there have been efforts to translate more texts into Bahasa Malaysia, and to encourage university lecturers to write their academic reports, articles and books in Bahasa Malaysia. However, most universities provide English proficiency courses for their students so that they are able to make use of references in English.

6. Staff Recruitment and Service Conditions

University staff recruitment and service as well as salaries have been placed into the Government's scheme of service since 1974, as a result of the Harun's Salaries Commission Report. Since then for all intents and purposes, university lectures and professors are considered as government officers, subject to terms and conditions of

service as stipulated by the government. While in theory each university has its own governing Council that looks into, among other things, service matters of university staff, the Council generally adopts all terms of service as proposed by the Public Services Department for university staff.

In the recruitment of new university lecturers and professors, representatives from the government usually sit on the Board of Selection. This is partly to ensure that those recruited for university appointment have the necessary qualifications as stipulated by the government. The appointments of the Vice-Chancellor and the Deputy Vice-Chancellors are made by the Minister of Education. The Vice-Chancellor in turn appoints the Deans, Deputy Deans and Heads of Departments.

However, it must be said that university academic staff are generally quite free to develop their areas of interest, to conduct courses, do research and writing, and participate in local as well as international conferences.

7. Research

Academic staff and students are free to carry out research in the various disciplines and areas of their interest, either individually or in terms of group projects, or in collaboration with outside agencies. There is an allocation made by the university for research. Researchers also receive research grants from outside institutions and private bodies to help them in their research. However, lately, the government realising the importance of "research and development", has organized its research priority areas. The priority areas seem to be in science and technology. Funding for research is controlled by the Central Government. There is little research money allocated for the social sciences and the humanities. The control of research money through selective allocation will see the beginning of government intervention in research activities by universities. Obviously if the control is too tight, in the long run it will have a stifling effect on university academic development.

8. Concluding Remarks

University education in Malaysia has risen at a phenomenal rate in the last fifteen years, especially in terms of student enrolment and graduates. One of the consequences of this is the new phenomena of graduate unemployment, which is growing at a very fast rate. In 1978 there were only around 530 graduates who were unemployed.[8] This year, it is reported that around 40,000 graduates are unemployed.[9] The number is growing. It is expected that next year the figure will

reach 50,000.[10] Graduate unemployment is mainly due to the high rate of production of graduates in relation to jobs commensurate with their qualifications. This was already anticipated earlier (1980) even when the country's economy was growing at a rate of seven to eight per cent. The current unemployment situation is made worse due to economic recession. Malaysia's economic growth last year was minus one per cent, and this year it is about 1.8 per cent. There are signs of a slight decline in the number of applicants for places in local universities this year (see Table 3). The number of students sitting for the Higher School Certificate/Sijil Tinggi Pelajaran Malaysia Examination, which is the extrance examination for universities, also shows a decline from 71,251 in 1986 to only 55,588 in 1987 (source: Majlis Paperiksaan Malaysia). However, this slight decline does not offset the relatively high demand for university education. These two phenomena of graduate unemployement and the high demand for university places will continue to be a major problem for Malaysia in the next few years. There have been efforts by the Government to solve these problems — first by requesting universities to increase their intake of new students, and at the same time by taking economic measures to increase employment opportunities for graduates, especially in the private sectors. The government is also providing, in a limited way, crash courses for graduates to become entrepreneurs or be self-employed.

Currently the Government is in a dilemma whether to allow the private sector to open up universities. By law, no private universities can be set up in the country. So far, the government seems to encourage the setting up of private colleges offering diploma level courses and these colleges in turn establish 'linkages' with universities abroad for degree courses.

Education generally, and higher education in particular, has always been a major political issue in Malaysia, especially in the context of inter-ethnic politics. This situation is likely to continue in the near future. Looking back over the last twenty-five years, it seems university "autonomy" has gradually been eroded as a result of government intervention in more and more aspects of higher education. While there is a move towards creating "excellence in higher education", it is not quite clear whether the approach is in the form of greater government involvement and intervention in the details of the university administration and programmes or whether it is in terms of providing broad outlines for universities to develop their areas of strength. If it moves towards greater control, universities will likely become more stifled in its academic development and this will likely bring about a decline in

academic interest and excellence rather than promote it.

NOTES

1. The first university (University of Malaya) was established by the British Colonial government in Singapore in 1949. Later, after Malaya became independent a branch campus of the University of Malaya was established in Kuala Lumpur, in 1959. In 1962 the two campuses became two separate universities, the University of Singapore and the University of Malaya, Kuala Lumpur.
2. Universities and University Colleges Act, 1971, para 23(1).
3. *Ibid*, para 24(1).
4. *Ibid*, para 24(2).
5. *Ibid*, para 24(3).
6. *Ibid* para 5A(2).
7. The only "private university" in Malaysia is the Interational Islamic University set up in 1984 under the general sponsorship of the Government of Malaysia and a few Islamic countries. However, over ninety per cent of the finance of the university comes from the Government of Malaysia.
8. See Isahak Haron and Wan Abdul Kadir, "Higher Education and Unemployment in Malaysia" in *Jurnal Pendidikan*, Jilid VIII, 1978/81, p. 136.
9. A statement by Dr. Kamal Salih, Executive Director, Malaysian Institution of Economic Research, in the *Sunday Star* newspaper, 5 August, 1987.
10. *Ibid*.

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The Role of Government in Higher Education in Australia

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Introduction

The role of government in higher education in Australia was changing quite dramatically at the time when this paper was being prepared. It has been inevitable for some time that the structure which had developed in the federal government for its role in higher education should come under review. The higher education system has already seen considerable changes over the past twenty years, both in national and regional systems of higher education and at institutional level. A period of expansion and diversification was followed by one of rationalisation and consolidation, culminating in the current major review of the role and structure of higher education and the federal government's policy towards it.[1]

On 22 September 1987, the recently appointed Minister for Employment, Education and Training, John Dawkins, announced the terms of reference for a major policy discussion paper which would be prepared in his department. The government had already commissioned a report on the structure of advisory bodies on higher education in the federal ministry, and on 15 October 1987 it was announced that the principal advisory body in the federal administration of higher education, the Commonwealth Tertiary Education Commission, would be abolished. Amongst the matters referred to the internal dapartmental inquiry are relations between the Commonwealth (federal government) and the states in the area of higher education, the place of private institutions and their relationship to the states, the definition of each institution's role and mission in teaching and research within a co-ordinated framework of national objectives and priorities, and the future of the present binary system of higher education. These are all questions bearing on the role of governments in higher education and they are associated with other equally probing questions concerning the processes of higher education. They can be expected to change quite fundamentally as the federal govenment moves towards a closer association between higher education and national economic development.

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At the same time, new questions are coming to the fore regarding the role of the state governments in higher education. From time to time, there has been some concern among those who support state rights and a strong state role in higher education that centralizing forces are expanding the Commonwealth's power at the expense of the states.[2] There is likely to be an increasing role for the states arising out of the current structural reorganization. They have already begun to show their strength through some purely state initiatives, such as the conversion of the West Australian Institute of Technology into Curtin University of Technology, the transfer of nurse education from hospital based programs to higher education institutions and development of Chifley University College in Western Sydney against the wishes of the Commonwealth.[3]

Historically and constitutionally, higher education should be seen to be a matter for the states rather than the Commonwealth in our federal system, although the role of the Commonwealth has grown enormously in the past 30 years.[4] Student financial assistance, became a Commonwealth responsibility under the social service amendments to the Commonwealth Constitution in 1946 with the inclusion of 'benefits to students' under Commonwealth powers, but otherwise education has been amongst those powers reserved to the states. Nearly all universities and colleges have been established by acts of the state parliaments and until 1957, by far the greater part of the funding came from state governments.

There has been no private sector of any significance in Australian higher education for the greater part of our history, but in the 19th century certain private initiatives were taken and a renewed interest has taken in the last few years. Some of the present institutes of technology were originally founded as private companies and, although retaining their constitution as companies, have since become part of the public system. Very recently, a private university, Bond University, has been founded, and other plans have been announced, mainly by business interests.

The issue of privatization has aroused considerable controversy, both amongst academics and within the government. The staff associations representing academics in higher education were strongly opposed to the establishment of Alan Bond's private university on the Queensland Gold Coast and to proposals for similar establishments in Western Australia and New South Wales. The previous Minister for Educa-

tion in the Hawke goverment (Senator Susan Ryan, until July 1987) was also an opponent, stating that 'there is no need for the development of so-called private universities'.[5] Her argument was that the public sector could provide for the needs of higher education without the inequitably high fees charged by private institutions. However, the current Minister for Employment, Education and Training (John Dawkins) is indicating a more favourable attitude to private institutions. This stance is part of his attack on existing higher education institutions, in which he claims that they lack drive, business initiative and relevance to the world of industry and commerce.

Until this very recent interest in privatization, higher education has been almost exclusively a matter of public enterprise and public funding. It began in the middle of the last century with the founding of the Universities of Sydney and Melbourne. The former colonial (later, the state) governments established universities in each of the states and although some private initiatives were taken in technical education as part of the early movement for the education of workers, other institutions of post-secondary education were developed under state administration. The federal government began to contribute funds significantly at the conclusion of the Second World War as part of its program of rehabilitation of servicemen.

From 1957, the commonwealth (the federal goverment) began to play a strong role in the funding of higher education by making grants to the states for specified purposes.[6] In 1974, it took over entirely the states' responsibilities for the funding of universities and colleges of advanced education.[7] In the period since that time, it has contributed about a quarter of the funds for technical and further education (TAFE), but the TAFE sector of what has been called 'tertiary education' in Australia has remained principally under the control of the state governments. The presence of a high proportion of state funding for technical and further education has prevented the Conmmovwealth from achieving a comprehensive regulatory role in that sector. However, it is possible that in the future the Commonwealth will gain greater control of TAFE, as it has other sectors,especially as it is presently placing much emphasis on the role of technical and further education in answering the nation's vocational traning and employment needs in a time of economic reconstruction.[8]

University Autonomy and Development of the Colleges

Australian universities have always enjoyed a relatively higher degree of autonomy than other degree granting institutions in higher education and much more than the technical and further education sector. They have never been administered directly by a government department. Their governing bodies (called councils or senates) have included only a minority of members appointed by governments (usually state rather than commonwealth); those members share power with internal representatives of the academic and general staff, students staff, students, alumni, and the general community.

When the first universities were established at Sydney and Melbourne in the 1850s, they were modelled on the ancient universities of Britain and were expected to follow autonomous traditions and maintain standards comparable with those at Oxford and Cambridge. By the early 20th century, each state government had established a university, but university education was relatively small and elite. The universities depended upon tuition fees and relatively small grants from the states. It was only after the Second World War that student numbers increased greatly and the prospect of a university education became realistic for many students, and especially for those who had not attended a private secondary school. At the same time, those institutions which had begun, not as universities, but as colleges in the technical education systems of the states or as teachers colleges began to develop some capacity for acting independently and to teach at a level requiring completion of a full secondary education for entrance.[9]

From the mid 1960s, the technological and teacher education institutions which were teaching at an advanced level were brought into a new system comprising a second sector of higher education known as colleges of advanced education (CAEs). These colleges were created largely on the recommendation of a national committee of enquiry (the Martin Committee) which reported in 1964.[10] The report, as part of its recommendation for further diversification and expansion of tertiary education, suggested the establishment of an Institute of Colleges in each state to co-ordinate the advanced level course of the colleges. The colleges (or the state body which co-ordinated them) were given powers to grant degrees and staff were assigned the same salary levels as university academic staff (ie faculty). Soon, in all the states, existing non-university institutions such as institutes of technology and agricultural col-

leges had achieved recognition as CAEs, and, by 1973, had been followed by the state teachers colleges joining in the advanced education sector.[11]

Between 1965 and 1975, there was a major expansion of the Commonwealth's role in all sectors of education. Its financial support for higher education institutions became more comprehensive, and the machinery to administer programs grew correspondingly. In 1959, the Commonwealth government had established the Universities Commission (as a result of the Murray committee Report in 1957.[12]). Later, the Advanced Education Commission was created (following the report of the Martin Committee). These bodies were to advise the government on funding, which was originally shared with the states, and on plans for the balanced development of the universities and colleges of advanced education respectively. This included planning with the states for recognition of advanced education courses and for the establishment of new universities and colleges. Between 1965 and 1975, university enrolments increased from 83,320 to 138,338. By 1975, these were 80 colleges of advanced education with a total enrolment of over 122,000.[13] It should be noted that at the same time enrolments in the technical and further education (TAFE) sector were growing quite rapidly and had reached 688,800 by 1975, and that a proportion of these enrolments would have been in programs that would have been defined as higher education in some OECD national statistics. Although the rate of growth declined after 1975 there was continued expansion due largely to mature age students offsetting the decline in school leavers between 1975 and 1982. The number of students entering direct from secondly education has increased markedly since 1982. In 1987 there were approximately 400,000 students in universities and colleges of advanced education, described as the 'higher education sector' in Australia, and over 1 million in Technical and further Education (TAFE).

The non-advanced sections of technical education and certain other programs of a community college type, and others corresponding to studies preparatory for higher education in senior secondly schools, plus trade courses and adult continuation education activities, began to be administered as a third sector of tertiary education in the early seventies. A Technical and Further Education Commission was Established in Canberra. In 1977 the three separate commissions responsible for tertiary education were brought together under the (Commonwealth) Tertiary Education Commission, with each functioning as an advisory council for its particular sector.

That structure continued with minor changes until 1987, but it is being replaced by a different arrangement in the recently established (federal) Department of Employment, Education and Training.

Tuition fees were abolished in 1974 at the same time as the Commonwealth took over from the states full responsibility for funding. Then for the first time universities were entirely dependent upon a single source of regular recurrent funds and their capacity to take independent actions was thereby reduced. The colleges of advanced education (CAEs), which had been closely administred by the states now had greater autonomy than they had enjoyed before. Much would depend in future on how the federal government chose to exercise the power it had gained over the universities and CAEs Colleges by the new centralized funding arrangements. For some years they were administered through a statutory authority which allowed many of the traditional values of academic autonomy to be maintained but the threat of greater intervention was always there. It was seen clearly by international observers of the Australian scene. For example, Trow[14] commented a few years ago in regard to Australian universities:

> ... as they grew, simultaneously grew the power of the Commonwealth over them. And events that seemed to academics, at the time as supportive of growth and development of the universities, such as rationalization of their funding by the Commonwealth government, at least intially on a more generous basis, their apparent liberation from the uncertainties of the market for student fees and from the constraints of their own state goverments all in the end proved to have consequences quite different from those originally anticipated. What we have seen is the centralization, rationalization, and bureaucratization of Australian higher education.

Co-ordinating Authorities in Relationship to the Commonwealth and the States

The Commonwealth Tertiary Education Commission (CTEC) has been a statutory authority which has prepared advice to the federal government (the Commonwealth) on the needs of the three sectors of tertiary education. After receiving 'Guidelines' from the goverment, it has detailed proposals for grants to the states for the universities and colleges and for the funding of the Australian National Universi-

ty and colleges in the federal territories.[15] The institutions receive their funds from the state treasuries which are bound to apply the funds exactly as they have been specified (in the State Grants Acts under a power of the Commonwealth Constitution, which allows the Commonwealth to make grants to the states subject to conditions). In this way, the role of the states has been greatly diminished from what one might expect from the constitutional situation in which education is presumed to be a state matter.[16] Nevertheless, the role of the states has been a considerable one, especially in regard to the development of colleges of advanced education over the past twenty years and in the direct administration of technical and further education.

Until recently, the advanced education sector was managed in detail by the states through a set of statutory authorities. In the State of Victoria, there were for some years two state co-ordinating authorities for two separate groups of colleges which functioned in a manner similar to multi-campus institutions. The co-ordinating authorities in these cases had the power to grant degrees. Accreditation of programs of study for degrees and diplomas was a responsibility of the State authorities, while the Commonwealth required separate approval of such courses for funding. Capital development required the approval of the state minister as well as the funding authority in the Commonwealth. The numbers of students in the advanced education sector who could be enrolled in various programs was controlled by agreement between the state and the Commonwealth.[17] For universities the federal commission specified the number of enrolments each of the universities was expected to aim for but did not directly control the actual number of students nor specify their distribution across programs or courses. The Tertiary Education Commission at the federal level retained control over the development of new expensive programs such as medical courses. It also required approval for certain growth areas which created problems in co-ordination and funding, such as the intermediate level associate diploma programs that were at the borderline between TAFE and advanced education.

During the period from 1965 following the Martin Committee report, until about 1980, when the colleges obtained greater individual autonomy, the State co-ordinating authorities were closely involved in the development and management of the individual institutions. The Commonwealth commissions tended to rely upon the states for detailed advice, although they made their own assessment of need. The relationship between the Commonwealth and State bodies in the funding of advanced

education was based on an agreement through the Australian Education Council, which comprises the meeting of the Ministers for Education in each of the states and the Commonwealth.

After the period of rapid expansion came to an end (from about 1975), the Commonwealth began to exert pressure for rationalization. The need for rationalization in some of the smaller colleges had become apparent, particularly in regard to the small, single-purpose teacher colleges. These became a major target of the 'Razor Gang' (the Review of Commonwealth Functions) of 1981. This review was carried out by a committee of senior ministers in the federal government. It was established to prune expenditure in a wide range of areas. Following the amalgamation of a number of colleges after the Review of Commonwealth Functions in 1981 (the 'Razor Gang' decisions), the number of colleges of advanced education, which had exceeded 80 in the mid 1970s, was reduced to 46, many of which became multi-campus institutions. The arrival of the 'Razor Gang' gave 'the coup de grace to an era of optimism' although a 'steady state' in the place of rapid growth had been recognized for some time.[18] As Harman put it, 'Never before has there been such a sudden and extensive planned cut in government programs, and such a sweeping elimination of government committes and agencies'.[19] It is important to note in retrospect, however, that although institutions were traumatized by structural changes and a sharp deceleration in the rate of growth, the total number of enrolments continued to rise, albeit more slowly and with greater dependence on mature age students to make up for the reduced rate of transition directly from secondary school. The number of institutions was drastically reduced. Research by Haeman and others has since shown that the amalgamation of small colleges into larger multi-campus institutions was unlikely to have reduced costs singnificantly but probably led to improvements in the quality of their educational services.[20]

With the advent of larger institutions, which were often multi-campus, the role of the co-ordinating authorities in the smaller states became less significant as the multi-campus colleges with a single governing body took on greater responsibility. At the same time, course accreditation became more reliant upon the internal review functions of the colleges themselves, usually with some kind of external advisory body. Thus, the detailed bureaucratic control of the colleges by agencies of the State goverments was reduced.[21] The colleges began to function more in the manner of the

universities which had always had the power to accredit their own courses and were never subject to the same degree of control in their program development or in their internal allocation of resources. The strong role of the states in the administration of advanced education can be seen as a function of the special conditions applying to a developmental stage. The evolution of the colleges into larger multi-purpose and often multi-campus institutions and a merging of the colleges into the university system under some sort of state control was a future possibility which could be contemplated back in the 1970s. In 1977, I wrote:

> The colleges need to be related to universities by way of some State control of the allocation of resources which brings universities and colleges together in a relatively loose federation at the state level. Within this system I would envisage further blurring of distinctions between universities and colleges and the development of some further differentiation within the university sector. Colleges of advanced education as such will disappear. They will become or merge with several different parts of a diverse tertiary system.[22]

In the present situation,the distinction between the universities and colleges is being called into question. The only remaining important differences are the power of the universities to grant degrees and their much greater involvement in research. Even in that respect, some of the largest central institutes of techology have begun to move into the field. It has been a point of conflict. The Royal Melbourne Institute of Technology, for example, began to enrol doctoral students supported by non-goverment funds and was forced to desist. The West Australian Institute of Technology has since been transformed from a college into a university. (Curtin University of Technology) by an Act of the W. A. State Parliament against the wishes of the Commonwealth authorities[23] and the New South Wales State Government has recently announced that the New South Wales Institute of Technology will become a university.

Most recently, the federal Minister for Employment, Education and Training has stated that he regards the division between universities and colleges, in what has been called the binary system in higher education, to be now largely irrelevant. He has been reported[24] as saying,

> That distinction will disappear. The binary system is basically dead what we are concerned about here is working out a sensible arrangement post the binary system.

In his recent policy statement to Parliament (22 September 1987), Mr Dawkins said that specific programs of merit in any institution of higher education could be funded for research and that no institution, university or otherwise, could expect all of its academic activities to be funded for research. How much this will be carried through and associated with wider powers to grant doctoral degrees will be one of the interesting things to watch.

The Minister's desire to end the divisions in the binary systenm is part of the present government's aim to restructure the higher education system and to align it more closely to the needs of the economy (as can be seen by the changed title of the Minister's department). The major policy review mentioned at the beginning of this paper was established to examine central issues such as the future of the binary system, together with other contentious issues such as tenure for academic staff and the streamlining of courses to meet the needs of industry.

In addition, the Government recently announced plans for a new single statutory authority to advise on education and training. This proposed National Board of Empoyment, Education and Training will replace a number of different advisory bodies, including the Tertiary Education Commission. The Board and its advisory councils, including one for higher education, will be comprised of trade unionists and business people as well as public servants and a few people representing 'providers' of educational services.[25] The Board will report directly to the Minister and will be obliged to take into account the social and economic priorities of the government. It will have only advisory functions. The administration of programs will be transferred from the Commission to the Department. Thus, the federal government has ensured that it will achieve its aim of closer and tighter control over higher education, which raises more crucially than ever the question of how much autonomy higher educational institutions will continue to have.[26]

The shift of power to a composite body closely aligned to the Department of Empoyment, Education and Training and to the department itself suggests, that

more detailed work will have to be done somewhere else.[27] It could lead to an increasing role for the states and possibly to a recovery of their importance in higher education, but that is uncertain at this stage. What is beyond doubt is that this major structural change will have important implications for higher education in the future. Among the important consequences will be the difference in administration of programs that is implied in the move from the Tertiary Education Commission, a statutory authority, to a government department staffed by civil servants rather than educators.

The role of statutory authorities is an interesting one. To some degree the relative independence of the CTEC has represented a recognition of the value to the society of its institutions of higher educations having a degree of autnomy that is not allowed to many other public bodies. Not only has the central authority been given special powers by statute, but the governing bodies of the institutions themselves have normally been established as statutory authorities. The universities and colleges are corporate bodies which in some ways act like business corporations, but their constitutions are normally defined by legislation or regulation. They are one kind of publicly responsible statutory authority. The state and federal commissions co-ordinating higher education are another.

The co-ordinating authorities in the several states, and the Commonwealth Tertialy Education Commission, have had power to administer programs in much the same way as government departments. However, they are differently constituted as a board or commission, with a majority of members who are not public servants but persons with relevant specialised knowledge and experience who serve in a part-time capacity. Their reports are presented to Parliament. They normally have a professional staff who owe a duty to their commission rather than to the minister or government of the day.[28]

The original conception which guided the establishment of the Universities Commission included the idea that a buffer was needed between the government and the institutions in order to preserve their autonomy. It was also expected to facilitate longer term planning than annual budgeting would allow. Funds have normally been granted on plans made for a three year period, although there have been occasions when the triennial planning has been interrrupted with funding for only one year.

Towards Central Control for Economic Purposes

In recent years, however, it has become apparent that the role of the relevant government department has became stronger and the role of the separate statutory authorities has been reduced.[29] It has been related to the processes of rationalization, the general constraint in public expenditure, and the greater interest governments have taken to direct the resources of the higher education system towards its economic development priorities. In some cases, the state ministries of education have begun to develop a policy-making capacity and advisory function within their normal structure in regard to higher education as well as the functions they have always had in the administration of primary and secondary education. In recent years in the federal sphere, the role of the Commonwealth Department of Education, now incorporated into a separate Department of Employment, Education and Training, had clearly been increasing.

The freedom of the Tertiary Education Commission (CTEC) at the federal level to advise on the needs of higher education had already been reduced somewhat by the government practice of issuing 'Guidelines' to the Commission. Initially, these statements by the Minister were mainly concerned with the general level of funding which could be expected from the federal budget. However, quite specific injunctions have been introduced on policy matters, particularly in regard to issues of political importance, such as access to higher education for certain sections of the community, rationalization and the transfer of resources between fields of study. As this more directive role was taken by the Commonwealth Government, the Commission made a practice of issuing its major triennial report in the form of 'Recommendations on Guidelines' so that it was advising the government in advance on what guideline the government should set. Then, after it received the guidelines, the Commission in a second part of its report for the coming triennium)or for the coming year) made detailed recommendations on the funding of institutions.[30]

It has been important in this process that the Commission at the federal level has been able to report directly to Parliament. The minister who presents the report to Parliament will often do so with a policy statement of his own indicating the extent to which the government accepts the advice of the Commission. Direct access to Parliament has enabled the official opposition and individual members of Parliament to make use of the detailed information and informed analyses provided in extended

reports of the Commission in developing their own perspective on higher education policy. Reports of the Commission have been a major resource for the study of higher education. Indeed, it is characteristic of the Australian system that there has been a high degree of public exposure in the process of policy development and implementation. (It is different, for example, from that which has prevailed in Britain where most of the same issues have been canvassed and policies have been developed within the relevant government department with little opportunity for public discussion before firm policy commitments are made by government, even though there have been advisory bodies on the funding of universities and for polytechnic and other higher education institutions in the public sector).[31]

However, all of this has now changed. The matters which were referred to an internal departmental committee by the Minister in his recent statement to Parliament, would in the past have been referred to the Commonwealth Tertiary Education Commission (CTEC). This was an indication that the government no longer intended to rely upon a relatively independent statutory authority for advice on the expenditure of public funds for the support of universities and colleges. As has been already noted, the Commission has now been superseded.

The disappearance of CTEC from the federal structure raises important questions about how the enormous amount of detailed work that is required to be done in the development of policy and in the administration of government programs will then be carried out. At the present time, although they have some relevant administrative and policy units, neither the federal nor the state government departments have the capacity to do what CTEC has done. Although it appears an unlikely prospect in the near future, one possible line of development will be for the state bodies to then become principal actors in the scene, so that much of the work load which has in the past been carried at the Commission level in the Commonwealth will in future be a matter of more analytically based detailed advice by state co-ordinating authorities or specialized units within State government departments. It might be argued that the universities and colleges themselves, especially if there are further amalgamations into multi-campus institutions, will have greater capacity for strategic planning and need only be supplemented by a smaller state unit for policy development and review. It could certainly be smaller than was needed in the days of rapid development, but it seems appropritate for the states to play some such role.

There are some sign that the states will be prepared to accept greater responsibility. For example, the Victorian Government thas taken the step in the past three years of funding additional places in universities and colleges of advanced education and has stated as a matter of policy that investment in education is a central part of its economic development strategy. In addition, some of the larger States have had quite powerful post-secondary co-ordinating authorities although their functions have been reduced somewhat. There are, however, considerable differences between the states, both in their attitudes to accepting greater responsibility and in the strength and independence of their co-ordinating authorities.

In his recent statement, Mr. Dawkins, referred to the need to have other contributors to the funding of higher education. He made mention of the states as well as students and the private sector. Given that taxing powers remain largely with the Commonwealth, it will be difficult for the states to pick up financial responsibility for higher education, although that is where it would appear to belong in terms of the Constitution.Changes could be made to tax sharing arrangements by agreement between the Commonwealth and the states and the Commomwealth could force the issue by threatening to withdraw from the field in whole or in part.

At least some of the other states might have an interest in making a financial contribution for specific purposes as the Victorian State Government has for the past three years when it became concerned that too many qualified students were not finding a place in the system as competition for entry became intense. In Victoria, there were significant pressures on the State Government to create additional opportunities, especially for the more disadvantaged sections of the community. Therefore, the state funded additional places in universities and colleges and negotiated arrangements with the institutions. The places were to be offered primarily under special admissions programs and would be concentrated in areas relevant to government plans for the state's economic development. When the Victorian State Government took this intitiative it was one of the most significant developments to have taken place in the funding of higher education in Australia.[32] Whether it turns out to have signified the future interests of State governments generally remains to be seen.

An alternative to direct funding by the state governments is that they could foster the development of a private sector and of private intiatives in public

institutions.[33] The Queensland Government has passed legislation awarding a new private body, Bond University, the right to confer degress, and giving it some protection as a university.[34] The new Vice Chancellor of Bond University in his previous appointment as Director of the Western Australian Institute of Technology (WAIT, later to became Curtin University of Technology), planned for the enrolment of full-fee-paying students before it became government policy to permit enrolment of such additional students from overseas. WAIT was already doing so in its off shore operation in South East Asia when national policy changed to provide a general encouragement for such intitiatives. Don Watts, then Vice-chancellor of Curtin University wrote that the 'decision was based on a clear perception of the advantages which now flow to Curtin [and] to Western Australia...'.[35] Bond University is expected to attract about half its students from overseas. While it is possible that the policy of charging high fees of overseas students in the public sector could well come under review as not being in Australia's national interest, more private initiatives can be expected. Some states may see similar advantages in atrracting private full-fee paying students to both public and private institutions, while others may prefer to extend state financial support of institutions funded mainly by the Commonwealth. The relationship of state governments to private institutions is one of the matters currently under review in the Commonwealth departmental inquiry.

There is also the question of the advisability of reintroducing tution fees for public universities and colleges. The opposition Liberal Party, at the federal election held in 1987, put forward proposals to fund student places in institutions in a less than full cost basis and to reserve some of the funds for grants to students in a limited voucher system. At the same time, it was proposed that the public institutions should be able to admit additional students on a full fee paying basis. However, the Liberals declared themselves against tuition fees in general.

Whether tuition fees can be reintroduced for the main body of students is a question of much public debate at the present time.[36] Support for the reintroduction of fees is related to judgments about the adequacy of programs of students financial assistance which are means tested. It will be difficult to redesign financial assistance in ways which do not inhibit participation on the part of students from average income families. Nevertheless, by whatever means it is done, it is very likely that the private cost of higher education, which has already increased significantly in recent

years, will continue to increase.[37] At the same time, the public institutions will develop some degree of diversity in their sources of funding, whether by income from tuition fees or otherwise.

It is already apparent that significant funds are being raised in research and developments, and through consulting and charging fees for continuing education courses, although the universities and colleges are very uneven in their capacity to attract those external funds. They will probably be supplemented in future by one means or another with private funds directly related to tuition in undergraduate courses. In one sense, these changes indicate the high degree of control which the federal government currently exercises in that it can induce such basic changes in the system. On the other hand, as sources of finance do become more diverse and as the institutions develop more differentiated roles, the capacity of the universities and colleges for independent action will increase.

The changing character of the Australian population will be a major factor in public support for higher education and eventually in government policy. The success of that third of the population which consists of immigrants and their children in using the higher education system for social mobility will be a source of increasing pressure for expansion as their political power increases.[38] Success has been most notable in the case of immigrants from non-English speaking countries among whom socioeconomic status which was so much part of the British pattern has little significance in terms of the probability of participation.[39] Now that about half the new settlers are coming from Asian countries that effect will increase. It will be likely to be felt most by state governments, who will have to face problems concerning the distribution of resources between secondary education, TAFE and higher education to meet the need of local communities. A serious imbalance has already developed as the funding of higher education has been held back while expenditure in secondary education was expanded over the last decade or so to the point where in some areas secondary schools are being closed for want of students while there is a shortage of places for qualified students in universities and colleges, and students/staff ratios are more favourable in high schools than in universities. The state governments, with their broader responsibilities, will be under greater pressure to resolve such contradictions. In these circumstances the tendency towards centralism in the federal structure of government will probably be reversed in the later years of this century.

Conclusion

In one sense the role of government in higher education might be seen to have been a very strong one during the period of rapid development and subsequent rationalization, and to be likely to be reduced somewhat as universities and colleges have become more capable of responding directly to the community at large. From another point of view the centralization of power over higher education in the federal bureaucracy could be seen to provide the means for comprehensive control in the pursuit of national economic objectives. Given the nature of our federal constitution it is likely in these circumstances that the states will re-assert their interests and provide a counterbalancing force, so that the role of the federal government will be limited in the long run to those matters which are its special responsibility, such as immigration, foreign affairs, defense and the over all management of the national economy. Issues of social equity and the balanced development of individual citizens have receded from prominence with the recent Commonwealth emphasis on mobilizing higher education for development of a techology based economic revival. When it is discovered that there are no easy short term solutions of that kind, the more broadly based interests of the states and the institutions can be expected to receive greater recognition. The role of the federal government should probably be expected to be restricted eventually to general policy guidance and a few specific interventions through the conditional granting of funds for specific purposes. Diversification of courses of funding for the institutions will be the key to change in levels of responsibility and adaptability of the system.

NOTES

1. For a general review of research in Australian Higher Education see Beswick, D. (1987) Trends in Higher Education. In J. P. Keeves (Ed. for the Academy of the Social Sciences in Australia), *Australian Education: Review of Recent Research*, Sydney, Allen and Unwin, pp 205–238. Also published as Trends in Australian Higher Education Research: a general review, in *Studies in Higher Education*, 12, 129–155. The changes in climate and policy over the previous years are reflected in the titles of some key works which echo the concerns of the day. e.g. Powell J.P., *Higher Education in a Steady State*. Sydney, HERDSA, 1978; Sheldrake P.F. and Linke R.D. (eds), *Accountability in Higher Education*. Sydney, Allen and Unwin, 1979; Harman G.S., Miller A.H., Bennett D.J., and Anderson B.I., *Academia Becalmed: Australian Tertiary Education in the Aftermath of Expanision*. Canberra, ANU Press, 1980; Gross E. and Western J.S. (eds.), *The End of a Golden Age: Higher Education in a Steady State*. St Lucia, Brisbane, University of Queensland Press, 1981 and Anwyl J. and Harman G., *A Time of Troubles: Proceedings of a National Conference on Australian Tertiary Education and the 1982 84 Triennium*. Melbourne, Centre for the Study of Higher Education, University of Melbourne, 1981.

2. See articles by Neal W.D., 'Higher Education Institutions and Governments', *Vestes*, Vol. 25, No. 1, 1982 and Neal W.D., 'The Perspective of a State Co-ordinating Authority Chairman' in Harman Grant and Smart Don (eds.), *Federal Intervention in Australian Education*, Melbourne, Georgian House, 1982.
3. For a fuller discussion of recent State initiatives in higher education and possibilities for their taking an increasing role, see Beswick David G., *Prospects for the 1990s: A New Phase of Development in Australian Higher Education*, Paper presented to the Conference on Higher Education Policy in Britain and Australia, London, October, 1987.
4. For a detailed discussion oif the role of the Commonwealth in education prior to 1949, see Tannock, P.D., *The Government of Education in Australia. The Origins of a Federal Policy*. Nedlands, University of Western Australia Press, 1975. Also see Brich, I.K.F. and Smart, D. (eds.), *The Commonwealth Government and Education 1964 1976: Political Intitiatives and Developments*. Melbourne, Drummomd, 1977, for an account of post-war Commonwealth initiatives in education.
5. Ryan Susan, 'Address on Policy' in Jones David R. and Anwyl John, (eds.), *Privatizing Higher Education. A New Australian Issue*. Centre for the Study of Higher Education, University of Melbourne, 1987. See these collected conference proceedings for a full discussion of the issue.
6. See Birch I.K.F. and Smart D., (eds.), *op. cit.*, 1977.
7. For a review of the past and present financial roles of the Commonwealth and State governments, see Tomlinson Derrick, 'The Shift in Financial Responsibility for Higher Educaion', and Harman Grant, 'The Financing and Control of Tertiary Education: The Search for Appropriate and Acceptable Roles for Federal and State Governments' in Harman Grant and Smart don, *op cit.*, 1982. Also see Williams Sir Bruce, 'Defining the Issues in University-Government Relations: an Analysis of Austalian Development over Two Decades' in Anwyl J.E. (ed.), *University Government Relations. Procedings of the Conference of University Governing Bodies, August 1982*. Canberra, Australian Vice-Chancellors' Committee, 1982.
8. Howse W.J., 'Commonwealth Intervention in Tafe'., in Harman Grant and Smart Don, *op. cit.*, 1982. Also see the report of the first inquiry into the technical and further education system: *TAFE in Australia. First Report on the Needs in Technical and Further Education*. Canberra, A.G.P.S., 1974 (Kangan REport), and *Education, Training and Employment: Report of the Committee of Inquiry into Education and Training*. Canberra, A.G.P.S., 1979, 3 vols. (Willwams Report).
9. For further historical and other background material, see Beswick David and Haeman Grant, 'Australia' in Hough, J.R., (ed.), *Education Policy. An International Survey*. London, Croom Helm Ltd., 1984. For a more detailed treatment of tertiary education, see Williams B., *Systems of Higher Education: Australia*. New York, International Concil for Educational Development, 1978.
10. *Tertiary Education in Australia: Report of the Committee on the Future of Tertiary Education in Australia*. Canberra, Government Printer, 1964–5, 3 Vols. (Martin Report).
11. See Treyvaud, E.R. and McLaren J., *Equal but Cheaper: the development of Australian Colleges of Advanced Education*. Melbourne, Melbourne colleges, see Hyams, B.K., 'Teacher Education in Australia: Historical Development', Appendix D, in *Report of the National Inquiry into teacher Education*. Canberra, A.G.P.S., 1980.
12. *Report of the Committee on Australian Universities*. Canberra, Goverments Printer, 1957 (Murray Report).
13. See Beswick David and Harman Grant 'Australia', in Hough J.R. (ed.), *op. cit.*, 1982, p. 41.
14. Trow M. (1984). The Analysis of Status. In B. R. Clark (Ed.) *Perspectives on Higher Education*. Berkeley, University of California Press.
15. Parliament of Australia, *The Tertiary Education Commission Act 1977*. Canberra, A.G.P.S., 1977.

16. See Neal, W.D., 'Higher Education Institutions and Covernments', *Vestes*, Vol. 25, No. 1, 1982 for the argument that the State Grants Acts go too far in restricting the States while giving too much power to the federal government.
17. See Williams Sir Bruce, *op.cit.*, 1982, pp. 37–38 for further discussion of State activities and the creation of State co-ordinating authorities.
18. Anwyl, John, 'Introduction' to Anwyl J.E. and Harman G.S. *A Time of Troubles. Proceedings of a National Conference on Australian Tertiary Education and the 1982 84 Triennium*. Melbourne, Centre for the Study of Higher Education, University of Melbourne, 1981, p. 1.
19. Harman Grant, 'The 'Razor Gang' Decisions, the Guidelines to the Commissions and Commonwealth Education policy', *Vestes*, Vol. 24, No. 2, 1981, p. 28. See this article for a full discussion of the effects of the 'Razor Gang' decisions on education.
20. Harman, G., Beswick, D. and Schofield, H. *The Amalgamation of Colleges of Advanced Education at Ballart and Bendigo*. Melbourne, Centre for the Study of Higher Education, University of Melborune, 1985.
21. For a history of the State co-ordinating agencies and their position *vis a vis* college autonomy, see Harman G.S., 'The Development of Coordination and the Conflict Between Co-ordination and College Autonomy' in Anderson D.S., Batt K.J., Beswick D.G., Harman G.S. and selby Smith, C. (eds.), *Regional Colleges. A study of Non-Metropolitan College of Advanced Education in Australia*. Canberra, Australian National University, 1975, Vol. 2. See also later work by Harman G.S. Australian experience with coordinating agencies for tertiary education, *Higher Education*, 1984, 13, pp. 501–515.
22. Beswick, D.G. Colleged of Advanced Education in the Next Twenty-five Years, a paper for the Committee of Inquiry into Education and Training (Williams Committee, 1977), published subsequently in G.S. Harman, A.H. Miller, D.J. Bennett and B.I. Anderson (Eds.), *Academia Becalmed: Australian Tertiary Education in the Aftermath of Expansion*. Canberra: ANU Press, 1980, pp. 195–218.
23. The previous federal Minister for Education, Susan Ryan, was opposed to the transformation of the college into Curtin University, but the present Minister appears to have taken a different position.
24. 'The Age', 29 September 1987
25. *The Australian*, 14 October 1987, p. 14, *The Age*, 14 October 1987, p. 19.
26. The issue of independence and autonomy in the higher education system has already aroused considerable concern as government interference has increased. See Harman Grant, 'The Erosion of Universuty Independence: Recent Australian Experience, *Higher Education*, vol. 12, No. 5, November 1983 and Harman Grant, 'The 'Razor Gang' Moves, the 1981 Guidelines and the Uncertain Future', in Harman Grant and Smart Don (eds.), *op. cit.*, 1982.
27. Beswick, D.G., 'Prospects for the 1990s: A New Phase of development in Australian Higher Education', a paper presented at the conference on Higher Education Policy in Britain and Australia, Australian Atusies Centre, University of London, October, 1987. In press with *The Higher Education Quarterly*.
28. See Parry, R.E., 'Co-ordination in a Federal System', in Harman, G.S., Miller, A.H., Bennett, D.J., and Anderson, B. (eds.), *Academia Becalmed: Australian Tertiary Education in the aftermath of Ezpanison*. Canberra, Australian National University Press, 1980, Harman Grant, *Issues in the Coordination if Post-Secondary Education*. Occasional Paper No. 3, Committee of Enquiry into Post-Secondary Education in South Australia, Adelaide, 1978. Also see the chapters by Harman in vol. 2 of Anderson D.S., Batt K.J., Beswick D.G., Harman G.S. and Selby Smith C., *op.cit.*, 1975.
29. Williams Bruce, 'Universities and the Australian Universities Commission', in Birch, I.K.F. and Smart, D. (eds.), *op.cit.*, 1977. Also see articles previously referred to which deal with the 'Raxor Gang' cuts and subsequent amalgamations.
30. See Commonwealth Tertiary Education Commission, *Report for the 1985 87 Triennium. Vols. 1 3*, Canmberra, A.G.P.S. 1984.

31. Harman Grant, 'Australian Experience with Co-ordinating Agencies for Tertiary Education', *Higher Education*, Vol. 13, No. 5 October 1984.
32. Beswick, D.G. (1986) The Victorian State funding initiative, *The Australian Universities' Review*, *29* (1), 32–33.
33. Beswick, D. Emerging Themes in the Discussion of Private Initiatives in Higher Education in Australia, concluding summary chapter in D. Jones and J. Anywyl (Eds) *Privatizing Higher Education: A New Australian Issue*. Parkville, Vic.: CSHE, University of Melbourne, 1987. pp 119–137.
34. Ford, A.J.T. and Watts, D. W. Intitial Plans for an Internationally Significant Private University, In D. Jones and J. Anwyl (Eds.) *Privatizing Higher Education: A new Australian Issue*, CSHE, University of Melbourne, 1987, pp 77–88.
35. Watts Donald W., 'The Private Potential of Australian Higher Education', in Jones David R., and Anwyl John (eds.), *op.cit.*, 1987, p. 39.
36. See Karmel Peter, 'Private Initiatives in Higher Education', in Jones David R. and Anwyl John (eds.), *op.cit.*, 1987, for a full discussion of the issue of fees and financing possibilities.
37. See an expansion of this point in Beswick David G., *op.cit.*, 1987.
38. Beswick, D. G., 'Prospects for the 1990s: A New Phase of development in Australian Higher Education', a paper presented at the conference on Higher Education Policy in Britain and Australia, Australian Studies Centre, University of London, October, 1987. In preses with *The Higher Education Quarterly*, April 1988.
39. Beswick, D. (1987) Trends in Higher Education. In J. P. Keeves (Ed. for the Academy of the Social Sciences in Australia), *Australian Education: Review of Recent Research*, Sydney, Allen and Unwin, pp 205–238. Also published as Trends in Australian Higher Education Research: a general review, in *Studies in Higher Education*, 1987, 12, 129–155.

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THE STRUCTURE AND GOVERNANCE OF CHINESE HIGHER EDUCATION

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Since the founding of the People's Republic of China in 1949, Chinese higher education has developed rapidly and tremendously. On a very weak and underdeveloped infrastructure of education inherited from old China, a higher education system, broad in scale, providing training at different levels, in different fields of study, and different forms, has now been built up. The goverment has played an important role in this development and progress.

In China, under the State Council — People's Central Government, the State Education Commission (SEC) is in charge of the nation's education. Under the guidance of SEC, the other relevant departments under the State Council and the local governments regulate the insitutions of higher education under them. These institutions consist of universities and independent colleges offering programs leading to the Bachelor's degree or up to the Master's and Doctor's degree, and advanced professional schools offering 2–3 year short-cycle courses. They are either under SEC or under relevant departments (such as the Beijing Institute of Iron and Steel Technology under the Ministry of Metallurgy), or under the local governments. In recent years, many higher educational institutions for adults have been established, some are run by enterprises or other organizations, but all of them must be qualified according to certain regulations and supervised by relevant departments or local goverments. There are no private institutions of higher education in China.

1. The Role of Government and the Process of Decentralization

The role of government in higher education and the changes over the past thiry odd years may be illustrated as follows:

1) Regulating Higher Education.

The central government formulates the policies, enacts decrees and establishes regulations for higher education. All the departments under the governments, the

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local government and institutions of higher learning must implement them. Formerly, strict implementation was required. If some departments, local governments or institutions wanted to make any change or draw out some specific regulations by themselves in the course of execution, they had to ask the Ministry of Education (predecessor of SEC) and even the State Council for permission. But in recent years, the central government would rather formulate general principles, and allow the departments, local governments and institutions to work out specific regulations according to their own situations, on condition that they must not violate the general principles. Of course, if their specific regulation is in contradiction to the general principles, they must ask the State Council or SEC for permission before taking action.

2) Planning Higher Education.

The central government draws up the strategies for planning the long-term and yearly development programs for higher education. According to these, the SEC is authorized to:

a) Approve or close down higher educational institutions and the specialities set up in them according to the unified standards worked out by the SEC. In the early 1950's, the establishment and closure of universities and independent colleges had to by approved by the Government Administration Council (predecessor of State Council), and the establishment or closure of advanced professional schools had be approved by the Ministry of Education. Afterwards the authority was transferred to lower levels. Now, the SEC is in charge of approving the establishment and closure of all institutions of higher education.

b) Work out the year plan of enrollment. In the past, this plan was an over-all state plan including determining the total number of students admitted and distribution of students according to different levels, specialities, provinces, and institution. In recent years, some reforms in this connection have been conducted. Now, higher education institutions enroll new students not only in accordance with a state plan, but also admitting students outside it: enrollment based on contracts with employers (those work units that have signed education related contracts should pay an agreed amount of money to these institutions in the form of training and educational fees) and a small number of self-support students are being enrolled. These reforms can help tap the higher educational institutions' potential in recruiting students, enable them to better meet the social demand for talent, and enlarge the resources for funds.

c) Yearly planning for job assignments for graduates. In general, the job assigment system ensured that employers (differents departments, enterprises, and other work units) would regularly receive a certain number of graduates, and that unemployment would be eliminated. But since it's impossible for a state plan to meet all employers' needs and satisfy all preferences, troubles appeared. Some graduates worked in a field which was not their major; some were over-educated and others were under-educated for the type of job they were assigned to; there was a lack of certain talents in some units, with an overflow in others. A part of human resouces was wasted. Under that system, job assignment could hardly be made in accordance with the graduates' performance, so it did not serve to encourage students to study hard and strive to do the best. In order to overcome these shortcomings, reforms have been conducted in recent years. The self-support students can now seek jobs by themselves, of course the institutions may give them counselling and make certain recommendations. Those students enrolled in accordance with contracts, go to work in the contractor work units. The job assignments, for graduating students enrolled in accordance with the state enrollment plan should follow a process which combines graduates' preferences, institutions' recommendation and employers' selection. Though these reforms have been conducted only for 2 or 3 years, it already proves that the measures adopted are favourable to overcome the defects of the graduates job assignment system in the past.

3) Funding

Before the 1980's, Chinese higher educational institutions were mainly funded by the government expenditure allocation for higher education. Other sources of income were rather small and all, if any, had to be turned over to the government. At the same time, there were severe regulations in using the educational funds. For instance, when an institution set up a new building, not only the budget but also the design and the building materials had to be approved by the responsible government departments. Restrained by problems such as innsufficient income, and financial regulations, the institutions could hardly develop with initiative. In recent years, many reforms in this respect have been conducted. Institutions are permitted to use the government's funds in accordance with their own decision, to get funds from different units by training students for them, undertaking research and development projects and subsidised by them, transfering the technical achievements through the technology market. They may offer correspondence and short-term courses, run

evening universities and colleges, and provide social and technical services and counselling. They may also receive donations endowed by organizations or persons at home or abroad. All the incomes received from the above mentioned activities are kept for the institutions themselves and used according to their own decisions as long as certain general financial regulations are observed. Thus the institutions can get a great deal of funds besides the government educational funds. For example, at Peking University, funds outside of governmental higher educational funds made up 50% of the whole income of the university (not including donations) in 1987. Increasing sources of income have given the institutions vitality.

4) Personnel administration. The SEC is in charge of:

a) Drawing up regulations for teachers, staff and workers of the institutions.

b) Appointing the leading cadres in higher educational institutions. In the beginning of the 1950's, the presidents and vice-presidents of universities, and those of independent colleges and advanced professional schools were appointed by the Central People's Government, and the Government Administration Council respectively, the provost and the director general of business affairs were appointed by the Ministry of Education or other responsible departments. Latterly, the Ministry of Education was in charge of appointing the presidents and vice-presidents of the advanced professional schools. At that time, though the deans of colleges and chairpersons of departments were appointed by the presidents, such appointments had to be reported to the Ministry of Education or responsible departments for the record. Nowadays, only a certain number of presidents are appointed by the State Council, all other presidents are appointed by the SEC or other departments responsible for the institutions. Vice-presidents may be nominated by the presidents and then be approved and appointed; provost, director general, deans, chairmen and other leading cadres are all appointed by the presidents. Thus the higher educational institutions have more power of personnel administration.

c) Supervising the promotion of faculty members. In China, there are four academic ranks for the faculty members: professor, associate professor, lecturer and assistant. The regulations for promotion are worked out by the State Council. In the past, any faculty member being promoted to associate professor or full professor had to be qualified by an education department at a provincial level and by the Ministry of Education respectively. The formalities of promotion were very tedious. Now some universities and colleges have been authorized to qualify professors and associ-

ate professors by themselves.

5) Supervising teaching in higher education institutions.

Formerly, the teaching programmes of all specialities and some syllabuses were drawn out or approved by the Ministry of Education or the departments responsible for the institutions. The Ministry of Education determined the duration of schooling; organized scholars to compile text books; worked out regulations for students (admission, registration, asending or decending grade, withdrawal, transfer, probation, dismissal etc.) Although such documents were issued "for reference purposes", in practice, they were considered as a unified standard and implemented by almost all institutions. They hampered the initiative of institutions to improve teaching quality according to their specific conditions and evolve the styles and chacteristics of their own. In order to remedy this situation, now, institutions are permiteed to rederfine the goals of different specialities, draw up teaching programmes and syllabuses, compile and select teaching materials, and work out their own regulations for the students.

6) Guiding scientific research work in higher education institutions.

In former times, the institutions caried on scientific research mainly in accordance with state planning, the plan of relevant departments of central or local government, and the commissions from enterprises. Now, the institutions also have the power to accept commissions from, or cooperate with, any units in scientific research and technological development; to make a tender for a scientific project; to provide techological or social service and consultations; to establish individually, or cooperate with other research institutes; and to develop horizontal relations and form associations for teaching, research and production.

7) Internationalizing higher education.

These tasks include managing international educational and academic exchange, ie sending students to study abroad, exchanging visiting scholars with foreign countries, admitting foreign students, and other academic activities. Before the end of the 1970's, all these activities were planned, organized, and funded by the government. Now, besides the government plan, institutions have the power to sign exchange agreements with foreign institutions of higher education or other organizations, on condition they use self-raised funds. For instance, Peking University has signed edu-

cational and academic exchange and cooperation agreements with more than 50 universities in different countries.

2. Background of Change and Problems

As mentioned before, the administration system of China's higher education was a highly centralized one pre 1980. The government carried out an integrated administration and played a decisive role in the development of higher education. But the situation has been constantly changing and in the past ten years, decentralization has become the main tendency. The state calls for streamlining administration, devolving power on units at lower levels so as to extend the higher educational institution's decision-making power in the administration of institution affairs. How was the centralized system first established? Why has a decentralization process taken place? I will try to present some analyses regarding these questions.

It is impossible for the educational administration system in a country to be completely separated from its political and economical structure. So we can understand an educational administration system only by knowing it's political and economical background.

The old China was a semi-colonial, semi-feudal country. For more than one hundred years before the founding of new China, she suffered unceasingly from external agressions and internal political corruption. The country was split up, and was extremely under-developed and backward. The masses lived in dire poverty. At that time, the people thirsted for a strong unified country. As soon as the new China was established, the Chinese people saw, for the first time, the actual dawn of promise. Recalling the miserable lessons of disintegration in the past, they realised the urgent need for a strong central goverment to remould the backwardess of the old society, including the old education system, and the need to reconstruct a prosperous new China. This is the historical and ideological (idea of a unified domain) background. And what is more, in the early years of the 1950's there were few countries which had established diplomatic relations with China, she was not only in a somewhat isolated position, but also in a state of war with some countries. At that time, the country had not being unified, the Taiwan provincial goverment had always been ready to "counterattack the continent"; some antagonists were involved in sabotage. All this political background strengthened the necessity of setting up a centralized administration system.

Of course, the most important factor was the economical background. The gov-

erment was faced with the task of developing industry and agriculture and constructing an integrated production system as quickly as possible. But financial income was low, foreign aids were few, and the government had to make careful calculations and carry out strict budgeting of resources, as well as reconstructing production output. Overall state planning, centralized control of production and allocation of resources were considered as effective measures to expand production at that time. Therefore a centralized planned economy took shape.

As it is known to all, education in old China was extremely backward. More than 80% of her population were illiterate and the enrollment ratio of school-age children was as low as 20%. The enrollment to institutions of higher education was only three per ten thousand of the population. The field of study structure of the old higher education system was irrational. the institutions were located inadequately resulting in no institutions of higher education in several provinces. The reconstruction of new China needed a large number of graduates in various specialized fields, but the old system could hardly meet these demands. So the system had to be reorganized, readjusted and developed in accordance with the demands of the state plan of economical development. Influenced by the elements of the educational background mentioned, and some others, a centralized administration system for managing higher education was carried out, along with the political structure based on centralization of power and planned economy structure.

The centralized administration of higher education had greatly accelerated the development of China's higher education at an early stage. Up to 1957, There were 358,694 students graduated from the institutions of higher education, ie, 1.7 times of the total amount of graduates during the thirty-six years in old China. More than one hundred new specialities were established, the criteria and regulations worked out by the Ministry of Education had ensured the improvement of teaching quality. Higher education met the needs of the state much better than before.

However with the development of Chinese economy and society, this over-centralized administration system caused a lot of problems. Firstly, at the moment, it can hardly meet the diverse needs of the country. Chinese territory is very spacious, the difference between regions and institutions of higher education within them is very great. For instance, the gross product per capita of certain provinces can be tens, or even hundreds of times that of others. The unified requirements, criteria or regulations will rarely suit all the different situations of various regions and institutions. Some of them might be unable to fulfill the unified requirements, while others

might be fettered by them. The contradiction of diversity (specific conditions of the institutions) and unity (unified requirements) is conspicuous. Secondly, centralized administration dampens the enthusiasm of individual instititions for promoting teaching and research work according to it's own characteristics and strong points. This may result in a lack of competition and vitality in the higher education system. Thirdly, under such a system, almost all the funds are provided by the govermrnt and most are provided by the government expenditure on education. This prevents the use of other methods for gathering additional funds and resources needed for institutions. At the same time, the allocation of funds and other important resources are also determined by the government, the institutions can't make rational arrangments for using the resources, they may be wasted or used inefficiently and less beneficially. Fourthly, the feedback method is not perfect, the system lacks a kind of mechanism of self-control and intergration. Then whenever there is a certain fault in planning or decision making it would exert a broad influence and would be difficult to fight off the unafavourable effects on time. Lastly, the most serious problem is that, in recent years, important economic reforms have been carried out, and the reform of the political structure is beginning. The rigid economic structure is changing to a planned commodity economy, the political structure based on over-centralization of power will also be changed, power will be delegated to lower levels. In this condition, decentralization of the higher education administration system will be an inevitable result. In 1985, a resolution on the reform of educational structure pointed out: "In reforming the administration system, while strengthening overall control, we must take resolute steps to streamline administration, devolve power on units at lower levels so as to extend the schools' decision making power in the administration of school affairs".

Neverthless, we must not neglect the problems which may appear in the process of decentralization. There were some lessons in this respect in the past. During 1958–60, the government endowed the local governments and institutions with more powers in running schools and teaching research works. It happened that the scale of the higher education system expanded suddenly but the teaching quality deteriorated rapidly. In a three year period, the number of institutions and enrollment to them increased by 43%, and 118% respectively. The resources needed were far beyond the possible supply. So that government had to spend several years readjusting, this included the closure of hundreds of newly established but unqualified institutions, and making arrangements for their students. Again, during 1983–85, when the gover-

ment began to streamline administration, some local goverments and departments emphasized their own needs to an irrational extent, even beginning to construct their own "small but comprehensive" higher education system individually. At that time, the number of institutions increased by an astonishing average rate of one institution per three days. Many of these newly established institutions are unncessary or not up to standard. The resources were wasted, the consequences were serious.

3. Conclusions

With regard to the role of government in Chinese higher education we can draw conclusions as follows:

1) The role of government in higher education is related to the higher education administration system, which is decided mainly by the political and economic structure of the country.

2) It's difficult to answer the following questions through abstract discussion: What role the government should play in higher education, and to what extent it should intervene? Which system is a better model for higher education administration, centralized or decentralized? We must make concrete analyses of concrete conditions. We cannot affirm or negate either of the administration systems absolutely. In the Chinese case, the role of government and the extent of centralization and government intervention has been different with changing historical periods, different political and economic structures, different development stages of production, science technology and education, different ideological backgrounds etc. In the early years of China a decentralized system was impractical and ineffective, though it's defects may have been less than the centralized system carried out at that time, in certain respects. But in recent years the situation has reversed. Now, along with the deepening of educational structure, the key to restructuring higher education lies in eliminating excessive government control over the institutions of higher education, and extending the decision-making power of the institutions. In my opinion, it may be better for the government to pay attention to "running higher education" rather than "running universities and colleges"; to formulate general policies but not concrete unified regulations. In the near future, the resources for developing higher education will be limited, therefore planning is still needed, but only a small part of it, ie, the demands for talents which have a vital bearing on the country's lifeline, should be placed in

the state plan. After fulfiling the state plan the institutions should have the power to develop according to their own decision.

3) An effective automatic control system must be built up. The higher education system must have a perfect mechanism to ensure that, whenever the system is forced to drift off its course, the divergence can be corrected in time.

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